



**VAUGHAN ASSOCIATES LIMITED**  
 Your More Important Machine Tools  
 VAUGHAN ASSOCIATES LTD. MACHINE TOOL SPECIALISTS  
 7, GARDEN ST., CANON ST. LONDON, W1, TEL: 01-403-8827

## NEWS SUMMARY

**GENERAL**  
**500 typhoon deaths feared**  
 About 500 Vietnamese boat people were feared drowned in the South China Sea, victims of Typhoon Hope which lashed Hong Kong yesterday.

A Government spokesman in the British colony said that nothing had been heard of the refugees since they were reported heading for Hong Kong in three fishing boats after being turned away from Macao by Portuguese authorities.

Three people were killed and 258 injured in Hong Kong as the typhoon struck. Roads were flooded, houses damaged and communications and power supplies disrupted.

**BUSINESS**  
**Equities ease; Gold down \$1**

● **EQUITIES** eased in thin trading, and the FT 50-share index closed 1 1/2 down at 453.7.

● **GILTS** remained steady and the Government Securities index closed 1/4 up at 72.63.

● **STERLING** fell 25 points in quiet trading to close at \$2.2630. Its trade-weighted index closed at 72.2 (74.4), and the dollar's armed slightly to 24.5 (24.4).

● **GOLD** lost \$1 in heavy trading to close in London at \$283 1/2.

● **WALL STREET** was 1 1/2 up at \$31.45 near the close.

**Chrysler omits div. payment**

● **CHRYSLER** Corporation Board voted to omit payment of the third-quarter dividend on its common stock in a move unlikely to stir political and editorial resistance to its request for \$20m Government aid.

Both the Washington Post and the New York Times yesterday carried leading articles opposing the move, and the Post added: "The British economy is the outstanding example of that policy in its production and financial management."

The Times also drew a parallel with UK policies, and suggested that however by a foreign car company as the solution to Chrysler's financial ills.

**Rhodesia debate**

Black Africa's front-line states hope that the elements for a new internationally acceptable constitution for Rhodesia will be worked out during today's Commonwealth Conference debate at Lusaka on the rebel colony.

**Cossiga to try**

Former Italian Interior Minister Francesco Cossiga, who resigned following the murder of ex-Prime Minister Aldo Moro, accepted a mandate for a new government in yet another bid to end Italy's 180-day-old government crisis.

**Accident report**

The three-mile island nuclear reactor accident in Pennsylvania which has been reported had the plant operators followed standard safety procedures according to a Nuclear Regulatory Commission report.

**Soldiers killed**

Two soldiers travelling with a bus to dispose of bombs were killed when a lorry wrecked their vehicle near Armagh. In Belfast a policeman was killed by a sniper while investigating a breakdown on the Falls Road.

**Briton rescued**

Briton John Page was rescued by Italian Alpine troops after dangling for five days from the Denali snow-capped peak of the Himalayas following a lightning storm in which fellow climber Jim Roberts was killed.

**Namibia plan**

A demilitarised zone along both sides of the border between Namibia and Angola, policed by UN troops, is expected to be a key Western proposal in a renewed effort at an international settlement in Namibia.

**England's day**

England made 58 for one in only its first innings total of 96 on the first day of a second Cornhill Test match.

**Italy**

Dominic Winnie tipped all but one of the winners at Goodwood. The successful selections included the mar 2000 Pound (11-4). Page 12

**Swiss Justice** Ministry said members of the People's Temple cult supplied bank accounts in Switzerland of almost £900,000 before mass poisoning of followers in Guyana.

**COMMODITIES**

Barrels	126 + 8
Barrel/Tonno	77 + 9
Barrel/ton	216 + 6
Barrel/ton	233 + 7
Barrel/ton	63 + 9
Barrel/ton	24 + 8
Barrel/ton	210 + 6
Barrel/ton	211 + 8
Barrel/ton	111 + 8
Barrel/ton	225 + 10
Barrel/ton	328 + 15

**RAISERS**

Royce	99 + 5
Royce	188 + 4
Royce	54 + 24
Royce	72 + 7
Royce	20 + 20
Royce	467 + 20
Royce	368 + 6
Royce	271 + 21
Royce	111 + 8
Royce	225 + 10
Royce	328 + 15

**FALLS**

Brentnall Beard	16 - 4
Griffiths Bank	22 - 3
MX Electric	235 - 14
Power Duffryn	172 - 4
London Sumatra	257 - 6

# Sterling demand lifts reserves to record \$23.5bn

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

Britain's official reserves of gold and foreign currencies jumped by \$1.43bn during July to a record total of \$23.49bn as a result of persistent and heavy demand for sterling during the month.

The increase was much larger than generally expected by the City and indicates that the Bank of England intervened on a substantial scale.

After adjusting for new public sector borrowing and debt repayment and the revaluation of part of the gold content, the underlying rise was \$1.35bn, compared with \$588m in the previous month. This is the largest increase since October, 1977, just before the Government stopped holding down the rate.

The official view yesterday was that the size of the increase does not indicate any change in exchange rate policy.

The Government's policy is to allow the pound to float fairly freely; unlike the summer of 1977 there is no official target or permitted range for sterling.

In a written answer in mid-July Sir Geoffrey Howe, the Chancellor, said: "The exchange rate is primarily determined by market forces. The Government, through the Bank of England, intervenes in the exchange markets to moderate excessive fluctuations in the rate."

The authorities argue that in conditions of buoyant demand and one-way pressure it has been necessary to intervene merely in order to allow the rate to settle and to permit normal commercial business. In this type of large-scale smoothing operation the Bank could easily pick up \$150m in a morning.

This view is supported by the size of the appreciation of the pound during July—a rise of 5.9 per cent in the trade-weighted index at one stage and of nearly 7 per cent in the sterling dollar rate.

The difference between smoothing and full-scale intervention is a fine one if the inflows are on a sufficient scale to affect the domestic monetary system.

Inflows as large as last month are certainly a potential upward pressure though earlier inflows—for instance \$1bn in March—have not yet worked through to boost sterling \$3, the broadly defined money supply.

The impact partly depends on the scale of overseas purchases of new gilt-edged issues. An indication may be given by the mid-July banking figures, due on Tuesday. But to the extent that the inflows have remained

# Coal Board loses £19m

By John Lloyd

THE NATIONAL Coal Board lost £19.4m after interest charges in the year to April. Sir Derek Ezra, the chairman, said yesterday that there would have been a surplus but for the disruption of transport services in the first three months of this year.

He said the industry was discussing with the Government the introduction of a substantial element of public dividend capital—believed to be as high as 50 per cent of the total capital requirements. This would provide "a measure of relief" from its high level of interest payments, which ran last year at £138m.

An injection of public dividend capital, which the Government is likely to agree, would allow the board to pay a dividend to Government when its investments—most of which have a lead time of up to ten years—pay off.

Sir Derek confirmed that the board was also discussing the possibility of the Government taking over its commitments to those pensioners on its books before 1975, when the pension arrangements were restructured. That commitment is now shared between Government and the board, with the NCB's contribution running last year at around £30m.

Higher redundancy and transfer (from one pit or area to another) payments are also on the Government/board agenda, Sir Derek said. Senior board officials believe that more generous transfer payments to miners in ageing and uneconomic pits might aid the closure programme, now effectively stalled by opposition from the National Union of Mineworkers.

Sir Derek said that the board was on target to break even in the current financial year, though he has asked the Government for an increased level of grants, which last year totalled £172m. It is thought that the board would like that level raised by £100m.

A further change which the board would like to see is increased freedom to "shop around" for loan capital. At present much of its loan finance comes from the National Loan Fund; it would like the freedom to borrow from the City, which it now cannot do, and from foreign sources, which it can do only with Government clearance.

Other points from the report include:

- Production was down by 1m
- Continued on Back Page
- News Analysis, Page 6
- Editorial Comment, Page 14

## HESELTINE SETS APRIL DEADLINE

# New towns told to sell £100m assets

BY CHRISTINE MOIR

MR. MICHAEL HESELTINE, Secretary of State for the Environment, has ordered the authorities responsible for the English New Towns to raise £100m by selling land and properties before next April.

A letter has been sent to the chairmen of each of the 21 new towns and the Commission for the New Towns, giving them until August 16 to reply, suggesting a series of disposals that will meet the target given them.

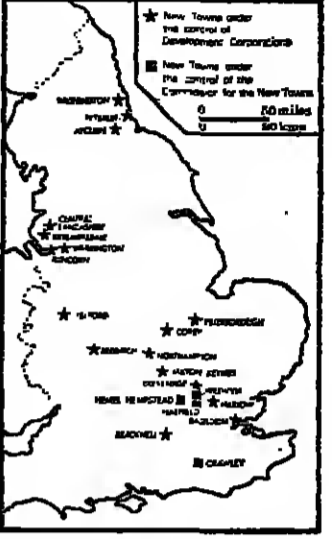
The figure represents about 15 per cent of the present value of the new towns' revenue-producing assets. These include offices, shops and industrial buildings that are estimated to be worth some £650m.

Of that total, properties worth about £130m are controlled by the Commission for the New Towns, which manages four of the oldest new towns: Hemel Hempstead, Welwyn Garden City, Crawley and Hatfield.

The sale of properties from the new towns serves the double purpose of reducing State ownership in yet another area and of offsetting the massive loans from the Treasury to the new towns development corporations.

The Treasury provides all the development finance for the new towns through 60-year loans at fixed rates of interest.

By the end of March last year (the latest figures available), some £1.88bn of those were still outstanding although some of the older-established towns have begun to pay back substantial portions of the loans.



with the possibility that such sales might be extended to other groups.

The sale of properties from the new towns serves the double purpose of reducing State ownership in yet another area and of offsetting the massive loans from the Treasury to the new towns development corporations.

The Treasury provides all the development finance for the new towns through 60-year loans at fixed rates of interest.

By the end of March last year (the latest figures available), some £1.88bn of those were still outstanding although some of the older-established towns have begun to pay back substantial portions of the loans.

## Disposals

Significant disposals of assets by the new towns have already been taking place as a result of a ban on future borrowing imposed last year by the Labour Government.

The new towns were told at that time that they must finance their new development programmes out of their own resources. That directive has led to sales of land and buildings.

Now, further sales have been ordered. Mr. John Stanley, Minister for Housing, said in the House of Commons last week that the new town authorities were "engaged in discussions with the department about the possibility of disposals in the course of the current financial year."

## Repayments

Yesterday the department still refused to confirm the target figure, although the new towns' response to the order is expected within the next 10 days after extensive meetings between them and the commission.

In order to concentrate their minds on the disposals, the new towns have been under a one-month moratorium preventing them from entering into any new contracts. The moratorium expires in the middle of the month at the same time as their reply to the sale order is due.

The Government's order to the new towns comes hard on the heels of its proposals to sell off other State assets in British Airways, British Aerospace and the National Enterprise Board.

# EEC strengthens powers to act against dumping

BY GILES MERRITT IN BRUSSELS

A STRONG reinforcement of EEC anti-dumping powers was announced in Brussels yesterday. The new regulations, which were approved by the Council of Ministers this week, also coincide with anti-dumping action by the European Commission against Japanese, Chinese and U.S. exporters to Hong Kong and U.S. exporters to the Common Market.

The modification of the EEC's 1968 regulation concerning dumped imports is primarily designed to block several legal loopholes and clarify the procedures used by the Brussels anti-dumping authorities.

Earlier this year the European Commission suffered a reverse when the European Court of Justice ruled in favour of five Japanese ball-bearing manufacturers who had contested an EEC anti-dumping levy.

The Commission is soon to disclose that anti-dumping measures are being taken against Japanese, Chinese and U.S. suppliers of saccharine products.

It is understood to be the first time that China has been the object of EEC action. With Hong Kong, China is also being cited in a second case involving alarm clocks. The third EEC anti-dumping case concerns Japanese exports of stereo cassettes.

Two of the three cases are understood to have been initiated after the UK complained to the Brussels Commission of dumping. The measures follow a visit to Brussels last month by Mr. John Nott, the British Trade Secretary, who has been making a series of visits to alleged instances of dumping. Commission officials have also indicated, in the context of the revised anti-dumping regulation,

## Drain

All the new towns, however, own attractive commercial properties ranging from modern, fully let industrial estates to profitable shopping centres that would be snapped up by the big investing institutions such as the pension funds.

The unanswered question that is being debated is what would remain after those plums are sold out of the portfolios. The development corporations fear that the sales, more of which might be ordered next year, would leave only a "ragbag" of properties and service buildings that would be a permanent drain on their revenues.

## Production was down by 1m

Continued on Back Page  
 News Analysis, Page 6  
 Editorial Comment, Page 14

# Yellow Pages contract changes

BY ELAINE WILLIAMS AND JOHN MAKINSON

AFTER 14 years the International Thomson Organisation is to lose the major part of the Post Office's Yellow Pages advertising contract.

The Post Office is not expected to announce officially the new contract until at least August 12 but it is believed that ITO Directories and the General Telephone Directory Company, a subsidiary of General Telephone and Electronics of the U.S., will be offered considerable parts of it.

Last year Thomson Yellow Pages, an subsidiary of the Thomson group, took over £35m in advertising sales.

Yellow Pages is split into six regional contracts and Thomson has been offered a three-year contract for the North-east of England. So far Thomson has declined to say whether or not it will accept the Post Office's offer.

ITO has said that it had submitted a bid and it understood that its submission had been favourably received. It is likely to gain a nine-year contract for three of the six areas while General Telephone Directories will cover the remaining two areas.

General Telephone Directories' contract with the Post Office will run for six years. It already has similar Yellow Pages contracts with Australia, the Philippines and Singapore.

More than 12 companies tendered for the six individual contracts which come into effect next year.

The reason for the move says the Post Office is that it wishes to expand its classified service. Thomson Yellow Pages made profits before tax and minorities of £3m last year. Of this, however, 35 per cent went to Reuben H. Donnelley, the U.S. company which originated the Yellow Pages idea.

Thomson's involvement in Yellow Pages has been a chequered one. The compilation and billing functions were transferred from Thomson to the Post Office in 1972, which resulted in publication delays and a fall in profits the following year.

A five-month printing strike at HMSO caused even greater difficulties in 1974, particularly as Thomson receives commission after publication. Operating profits for the year slumped to £800,000 from £1m.

## Caring for your family means more than keeping their pictures in your wallet.

It means making sure that they won't suffer any financial hardship if anything should happen to you.

It means providing as much protection for your daughter's guitar and your wife's jewellery as you do for the car you drive.

It means being sure you have the resources to deal with your own retirement plans as well as your children's education.

Most of all it means finding out how GRE can help you take care of things.

So if you want to know more talk to your local GRE branch, or ask your usual insurance adviser.

They'll be happy to put you in the picture.

**Guardian Royal Exchange Assurance**  
 Head Office: Royal Exchange, London EC3V 3LS

**CONTENTS**

Chrysler: Carter faces \$1bn demand for tax relief	14
Politics Today: the appalling cost of defence	15
Management: BL and Ford offer scope for equipment makers	9
Franco-German relations: differences on Euratom	2
Zimbabwe Rhodesia: problems with the Constitution	3
American News	4
Appointments	3
Airs	13
Bank Return	17
Base Rates	22
Commodities	23
Companies - UK	16, 17, 18
Crossed	16
Entertain. Guide	12
Europeans	20
European Options	22
FT Actuaries	22
Food Prices	18
Int'l. Companies	20, 21
Leader Page	14
Letters	15
Law	28
Lombard	12
Management	9
Man and Markets	14
Mining	12
Money & Exchange	19
Overseas News	10
Property	3
Racing	12
Share Information	26, 27
Stock Markets: London	24
Wall Street	22
Bourses	22
Technical	16
Today's Events	15
TV and Radio	12
UK News: General	6, 8
Labour	17
Unit Trusts	26
Weather	28
World Trade News	4
ANNUAL STATEMENTS	17
Bradford Prop. Tct.	7
Barlow Holdings	17
A. Cohen & Co.	17
Eng. Card Clothing	17
Holt, Ees. & EA	17
Sanitruist	6
Takada Chem. Ind.	20

For latest Share Index phone 01-246 8026

# GREAT ASSURANCE

EUROPEAN NEWS

France warned of spending curbs as oil price rises bite

BY OAVIO WHITE IN PARIS

FRENCHMEN YESTERDAY received a warning that they would have to accept a "stabilisation" of their purchasing power as the country absorbed the shock inflicted by oil price increases.

figures showed that their purchasing power rose slightly faster than that of other social groups last year. When the cake was getting smaller, was it not fair to reserve it for those who needed it most?

1974, when companies had just been through "a euphoric investment period," he said. The Government did not plan in the immediate future to open petrol prices to free competition.

China talks expected in Moscow next month

By David Satter in Moscow

THE FIRST Sino-Soviet-Chinese negotiations on improving relations are now expected to begin in Moscow in mid-September at Vice-Foreign Minister level.

Basque group halts bomb campaign

BY ROBERT GRAHAM IN MADRID

HARD LINE Basque separatists have decided to call off a renewed bombing campaign directed at tourist targets in Spain. At the same time they have issued a statement regretting the deaths and injuries caused by last Sunday's bomb explosions in two Madrid railway stations and at the city's airport.

First, the organisation evidently miscalculated the planting of the three bombs last Sunday which killed five people and injured almost 100. Warnings were telephoned an hour before the explosions but none of the sites was cleared.

had occurred. The organisation added that it had defused a number of explosive devices already planted and gave the locations of three bombs as already planted and gave the time.

part to ETA (Politico-Military). The sale logic for the renewal of the bombing campaign was that supporters were being lost to the more radical military wing of ETA which has rejected the home rule statute.

SIG. FRANCESCO COSSIGA

Vote-catcher's biggest challenge

BY PAUL BETTS IN ROME

THE PRESIDENT, Sig. Sandro Pertini, wasted no time yesterday in making a further attempt to end Italy's 183-day old Government crisis by calling Sig. Francesco Cossiga to try to form a Government.



Sig. Francesco Cossiga

spring of last year of Sig. Aldo Moro, the Christian Democrats' one undisputed leader. After the killing of Sig. Moro Sig. Cossiga took the unprecedented step of resigning.

Europe-Arab conference moves

BY ROBERT MAUTHNER IN PARIS

FRANCE IS making discreet efforts to set up a ministerial conference between the nine members states of the European Community and the moderate Arab oil producers in the Gulf, which would cover economic and political relations between the two groups.

President Giscard made a stop-over in Abu Dhabi on his way to the French Pacific territories recently, and plans for an official visit by the French President to the Gulf Emirates and Kuwait before the end of the year are well advanced.

consistent advocacy of a global Middle East settlement, including the provision of a homeland for the Palestinians.

Union row in Spain over wages

By Our Madrid Correspondent

A SHARP division exists between the two main Spanish trade unions over the extent to which wages should be topped up to match higher-than-expected inflation.

The more powerful, the Communist-controlled confederation of Workers Commissions, is considering a demand for up to 7.5 per cent extra, while the Socialist-orientated General Workers Union is willing to limit the demand to around 4 per cent.

Job and output figures confirm German upswing

BY JONATHAN CARR IN BONN

EVIDENCE OF the continuing economic upswing in West Germany emerges from employment and industrial production figures released yesterday.

economic institutes believe should continue for the rest of this year but may not be sustained in 1980.

Strike at Rome disrupts flights

ROME-International and domestic flights were delayed yesterday and widespread cancellations were expected at Leonardo da Vinci Airport, Rome, as striking oil company workers refused to refuel aircraft.

Romania bans E. Bloc motorists

BY PAUL LENDVAI IN VIENNA

ROMANIA'S STRINGENT fuel-saving measures, banning East European motorists without hard currency coupons from entering the country, has provoked sharp East Bloc protests and unprecedented traffic demonstrations at the checkpoints on the 432-kilometre Hunzarian-Romanian border.

to conclude, given the strictness of the bureaucracy which governs East European tourist traffic.

reach the Bulgarian coast. It is estimated that if the ban is upheld, over 1m East European tourists could be affected.

French bid to split Euratom raises fears over EEC unity

BY GUY DE JONQUIERES, COMMON MARKET CORRESPONDENT, IN BRUSSELS

French bid to split Euratom raises fears over EEC unity

ONLY A few months after the abrupt disengagement between Paris and Bonn over the European Economic Community's farm financing arrangements, which delayed until March the launch of the European Monetary System, relations between the two Governments are once again being put to the test.

unrealistic. Until a few months ago the Commission and the Community's member Governments appeared content to continue ignoring them, as they had done during the previous 20 years.

of equal access to nuclear supplies be regulated by non-discrimination and that shareholders in companies producing nuclear fuel should be guaranteed access to their output. It also called for an effective Community preference scheme to encourage development of industrial partnerships in the nuclear sector and to protect the European market.

Mr. Roy Jenkins (left), president of the EEC Commission accused President Giscard d'Estaing "under-estimating."

Paris and Bonn and thereby improve Britain's chances of securing agreement on a cut in its Community budget contributions and reform of the Common Agricultural Policy.

provisional arrangement, under which it sent spent fuel to be reprocessed at the La Hague plant in France.

share them with those who have shown less foresight. But the Commission would like to retain a bigger role in formulating supply policy, particularly in times of severe imbalance, than France has proposed. It also suggests that the Community should study the possibility of adapting the treaty's provisions by defining an agreed "interpretation of how it should be applied in practice, rather than by resorting to the more radical course of amending it formally.

The tensions arise from France's demands for a partial revision of the treaty establishing the European Atomic Energy Community (Euratom), and in particular its provisions relating to nuclear supply policy. These empower the Commission to organise a single Community nuclear market by giving it, through the Euratom supply agency, a monopoly over supplies and the sole right to conclude contracts for the purchase and sale of fuel.

French eyes the technological lead which it has built up in this field would be much less valuable if it were obliterated by a supranational agency beyond its control, to surrender its nuclear fuel production to a common pool.

Curiously, however, the French Foreign Ministry claims that the West Germans have never given these warnings officially in bilateral consultations and appears dismayed to have read of them in the Press.

French Foreign Ministry claims that the West Germans have never given these warnings officially in bilateral consultations and appears dismayed to have read of them in the Press.

Paris and Bonn and thereby improve Britain's chances of securing agreement on a cut in its Community budget contributions and reform of the Common Agricultural Policy.

provisional arrangement, under which it sent spent fuel to be reprocessed at the La Hague plant in France.

share them with those who have shown less foresight. But the Commission would like to retain a bigger role in formulating supply policy, particularly in times of severe imbalance, than France has proposed. It also suggests that the Community should study the possibility of adapting the treaty's provisions by defining an agreed "interpretation of how it should be applied in practice, rather than by resorting to the more radical course of amending it formally.

Moulinex SALES FOR THE FIRST SIX MONTHS OF 1979. The Mother Company pre-tax sales reached Frs. 886.1m against Frs. 746.5m for the same period in 1978, showing an increase of 18.70%.

FINANCIAL TIMES published daily except Sundays and public holidays. Subscription rates: £25.00 per annum (second class postage paid at New York, NY and at additional mailing offices).

# Fraser condemns Vietnam over 'boat people'

BY ANTHONY VERRIER IN HUSAKA

MR. MALCOLM FRASER, Australia's Prime Minister, yesterday fiercely attacked the Vietnamese Government's expulsion of Chinese from Vietnam, declaring that the number of refugees was "greater than the number of Jews expelled from Germany in the 1930s."

Mr. Fraser was speaking on the second day of the Commonwealth Conference, which was dominated by the plight of Vietnamese refugees, although other issues discussed included Belize and Uganda.

Mr. Fraser said that if the expulsions continued, they could destabilise South-East Asia, and he feared the policy might be part of a much wider

strategy on the part of Vietnam and the Soviet Union.

Mr. Fraser's call for a concerted Commonwealth policy met, however, with a mixed reception. The known antipathy of Lord Carrington, the British Foreign Secretary, to Hanoi's policy ensured his support for Mr. Fraser's attack.

Tengku Ismail, Malaysia's Foreign Minister, and leader of his country's delegation, has also said there should be a Commonwealth policy which puts Hanoi in the dock. Malaysia, nevertheless, with 70,000 refugees — "not one of which we will absorb" — is much more concerned with the burden than to attack Hanoi. The Malaysian

estimate is that up to a million more refugees are likely to be expelled in the coming months. An increasing number will find their way to Thailand — which already has 100,000 — and to Indonesia, which has accepted some 50,000.

Mr. Robert Muldoon, New Zealand's Prime Minister, said the Third World must put pressure on Hanoi, not a western world suspected of regarding Indonesia as merely an element in super-power relations.

Mr. Muldoon said that if pressure was to be effective, every effort must be made to make Hanoi understand that expelling skills and experience was shortsighted, as well as being immoral.

Michael Holman adds: Tanzania has withdrawn 12,000 of its troops from Uganda and 26,000 more will be leaving soon. Mr. Godfrey Binaisa, Uganda's President, told the conference.

Some 50,000 Tanzanian troops have been based in Uganda since President Amin was overthrown last April. The gradual withdrawal of the troops began last month, but today's disclosure by Mr. Binaisa provides the first official figures.

Britain will help retrain the Ugandan police force, he said. The force, which had 13,000 members before President Amin came to power, is down to 2,000, and many of the senior officers were killed during the Amin years.

# White power in black clothing

BY MARTIN DICKSON, AFRICA CORRESPONDENT

A MAJOR ISSUE in the Commonwealth conference debate on Rhodesia, which opens today will be the internal settlement constitution, which has been condemned by other African Governments.

President Kaunda of Zambia said in his opening speech to the conference that the Salisbury Government was "white power clad in black habiliments." A paper issued by the Secretariat earlier this year argued that the constitution was a "carefully woven, carefully contrived subterfuge for sustaining a wholly anti-democratic regime."

Now the British Government, which wants to build on the internal settlement, believes changes to the constitution to be necessary. Mrs. Thatcher told the House of Commons last week that the Government would aim to make the new constitutional proposals which Britain is drawing up "comparable to those on which we granted independence to other former British territories in Africa." By that judgment, the constitution of Zimbabwe, Rhodesia has a long way to go.

An analysis of the constitution must start with the composition of the legislature and the methods by which it is elected.

Rhodesia now has a largely titular president, a Prime Minister and a two-house cabinet, and a two-house parliament. There is a Senate consisting of 30 indirectly elected members, but real legislative power lies with the lower house of assembly.

It has 100 members, 72 of them Africans, elected on a common roll of black and white voters. A further 20 seats are reserved for whites elected on a separate white electoral roll. Eight more seats are reserved for whites indirectly elected by

their 92 assembly colleagues. These eight are chosen from a list of candidates selected by a white electoral college. The practical result has been that all eight are members of Mr. Ian Smith's Rhodesia Front party, which also holds the 20 directly elected seats in Parliament.

Those white seats give the Rhodesia Front a veto over amendments to "entrenched" clauses in the constitution, which would need the approval of 75 MPs.

The importance of that veto becomes clear only when it is realised that 123 articles of the 170 in the constitution are entrenched, including the composition of Parliament, the make-up of the coalition Government, and clauses relating to recruitment and control over the police and defence forces, the judiciary and the civil service.

"Entrenched" transitional provisions "automatically keep in office many white incumbents of key posts, including senior police and army officers, members of the Public Service Commission (which controls recruitment to, and organisation of, the civil service), and members of the high court."

Other sections of the constitution mean that the main responsibility for recruitment and promotion of the civil service, armed forces, police and judiciary will remain in white hands.

For example, a majority of members of the Public Services Commission must have held at least the best of under-secretary in the civil service for five years, and no African bureaucrat is yet anywhere near such a senior position.

There are also new and similarly complicated processes for appointing commanders of the army and police force. The



army commander, for example, must have held the rank of colonel or above for at least five years, which will exclude blacks for many years to come.

The commander is appointed by the president, acting on the advice of a commission which will in practice be white-dominated because of the qualifications necessary for membership. The commission will, however, "consult" the Prime Minister about the appointment.

One of the most curious features of the constitution is the relationship between the Prime Minister and the army commander. The Prime Minister can give the commander "such general direction of policy with respect to the defence of Zimbabwe Rhodesia as he may consider necessary, and the commander shall comply with such directions or cause them to be complied with."

However, the Prime Minister's guidance apart, when it comes to "determining the use and controlling the operation of the army," the commander shall not be "subject to the direction or control of any person or authority."

Some argue that this leaves a large ambiguous area where a forceful Prime Minister could exert considerable control over the army commander, but it also leaves open the possibility of a military leadership which is all practical purposes is responsible only to itself.

On top of all this, the constitution specifies that for at least five years there shall be a coalition Government in Salisbury comprising all parties which have won more than five seats in Parliament.

Each party has cabinet seats in proportion to its parliamentary representation, which means that the whites, a mere 3 per cent of the population, control 28 per cent of Cabinet seats.

The constitution provides for a review of representation in parliament after not less than 10 years, but it seems likely that, because of the qualifications needed for membership of the review committee, this will have a white majority.

All of this bears little relation to the constitutions under which Britain's other former African territories gained independence. There were no white-controlled special commissions in those countries, no white constitutional blocking mechanisms, and no semi-autonomous status for the police and army commanders.

However, in some countries, arrangements were made for some white representation in parliament in the years immediately after independence.

In Tanzania, 10 seats in a 71-seat house were reserved for white MPs elected on a common roll. In Zambia, during the first five years of independence, parliament consisted of 75 MPs, 65 of them elected on an African roll and 10 on a white roll.

# New Western move on Namibia

BY QUENTIN PEEL IN JOHANNESBURG

A DEMILITARISED zone along both sides of the border between Namibia (South-West Africa) and Angola, policed by UN forces, is expected to be a key Western proposal in a renewed effort for an international settlement in Namibia.

The proposal, it is hoped, could provide an acceptable compromise between South African insistence that guerrilla bases in Angola and Zambia be monitored by UN forces, and a refusal by the other black front-line states in southern Africa to accept UN military personnel in their territories.

The proposal will be put by Sir James Murray, the British envoy chosen as representative of the five Western members of the UN security council, when he arrives in Pretoria

It will be part of a package at present being put together by the "contact group" of the five powers in New York, aimed at persuading South Africa to drop its objections to the plan for a UN-supervised ceasefire and elections in Namibia.

Renewed hope for progress on the Namibian initiative could, it is argued, ease the difficult negotiations over Rhodesia, if only it can show that an international settlement in Southern Africa is feasible.

Diplomats in Pretoria and Lusaka are optimistic that the Front-Line states—Angola, Botswana, Mozambique, Tanzania and Zambia—are still prepared to support the Western initiative in Namibia.

Angola is believed to look favourably on the suggestion of

a demilitarised zone. Dr. Kurt Waldheim, UN Secretary-General, has said that President Agostinho Neto of Angola had given him new ideas on breaking the stalemate over Namibia, when he visited Luanda last month.

The positive Front-Line attitude was also reflected in reports from Monday's summit of the Front-Line Presidents, which was attended by Mr. Sam Nujoma, leader of the South West Africa People's Organisation (SWAPO), which is conducting the guerrilla war against South African troops in the territory.

It is understood that the presidents urged Mr. Nujoma to reconsider his demand that his guerrillas be allowed to establish bases inside Namibia,

# Iran makes peace with Kurds

By Andrew Whiteley in Tehran

THOUSANDS OF Iranian Kurds camped outside their herder town of Marivan for the past two weeks were streaming reluctantly back to their homes yesterday after a peace agreement with the Government had temporarily removed the prospect of all-out conflict in Western Kurdistan.

The Marivan residents, supported by some 7,000 fellow Kurds who had marched from the provincial capital of Sanandaj, 150 kilometres away, accepted terms which leave internal and border security firmly in the hands of the Tehran authorities.

The outcome of the three-week-long confrontation marks the beginning of the end of the de facto autonomy which much of Iranian Kurdistan has enjoyed since the revolution six months ago.

Despite widespread resistance, peaceful and militant from the Kurdish countryside the Army succeeded in bringing heavy reinforcements, including tanks, into the trouble spot, 20 miles from the Iraqi border.

Facing reality, the several hundred Kurdish Pesh Mergha irregulars who had been holding the deserted town of Marivan pulled out before sunrise on Tuesday.

# Mrs. Gandhi appears in court

BY K. K. SHARMA IN NEW DELHI

MRS. INDIRA GANDHI, former Prime Minister of India, yesterday made her first appearance before the special court established to try her on charges of corruption and abuse of power.

Mrs. Gandhi appeared in a bright yellow sari and after being granted bail of Rs 15,000 (US\$1), she immediately left the court to find crowds of cheering supporters waiting outside.

Mrs. Gandhi's appearance before the court emphasised the fact that no deal has yet been made between Mr. Charan Singh, the new Prime Minister, and Mrs. Gandhi for the latter's support in a vote of confidence, which is to take place on August 27.

Mrs. Gandhi's Congress faction has 14 members in the Lok Sabha (lower house of Parliament), which is more than enough to save Mr. Charan Singh.

The two have disagreed, however, and Mr. Charan Singh has rebuffed her hints that they should patch up their quarrel. He apparently intends to stand by his commitment that he will not compromise with "authoritarian" forces (by which he is understood to mean Mrs. Gandhi), since he evidently has calculated that this will lose him more votes than it will gain.

# OECD fears on Australian inflation trends

BY DAVID HOUSEGO

AUSTRALIA CAN expect an accelerating rate of growth of national output to about 4 per cent for 1979 but little change in the level of unemployment. The figures are from the Organisation for Economic Co-operation and Development (OECD) annual review of the Australian economy.

In April the number of unemployed was 415,900 or 5.4 per cent of the labour force, marginally up on a year ago.

But the report says that the Government has had only partial success in bringing down prices and that the outlook for inflation is now "problematical." It notes that the rate of increase in the consumer price index has slowed from more than 13 per cent in 1978 to about 8 per cent

last year but has levelled since then.

Mr. Malcolm Fraser's Government had hoped to bring the inflation rate to under 5 per cent in a year as a central element in its policy of providing the necessary underlying conditions for sustained investment and growth.

The OECD's forecast assumes an 8 per cent inflation rate for 1979, but says that with uncertainty about the level of wage settlements and stronger external inflationary pressures, "there is obviously a risk that inflation will accelerate."

The report was prepared before the recent wave of strikes in which some unions are seeking wage increases in excess of the increase in the

cost of living.

The OECD says that, continuing wage awards by the Arbitration Commission—which effectively fixes national pay scales—at a level that matches the increase in the cost of living would "prejudice the Government's inflation objective" and its attempt to bring real wages and productivity into line with that of Australia's competitors.

The report generally endorses the policy of tight demand management that Mr. Fraser's Government has followed to bring wages under control and allow more elbow room for the growth of corporate profits. But it says that the rebuilding of profits has been slow.

It argues against giving a

stimulus to the economy to encourage growth—one of the options Mr. Fraser will have to consider in the budget on August 21—in spite of the continuing high level of unemployment.

The OECD implies that the improvement in the short-term outlook for exports and the strengthening of private capital inflows are factors that give the Government more room for relaxing its tight control over demand.

But it warns that inflation is still at a relatively high level, wage costs are high compared with those of Australia's competitors and faster growth could undermine the recent improvement in the external position.

# Miami. Best connected city for all the Americas.

First, National flies you non-stop to Miami. It's ideally located to connect you with destinations clear across the southern US. And with the Caribbean, Central and South American destinations.

So you'll be able to visit famous American cities like New Orleans, Houston, Las Vegas, Los Angeles, San Francisco, and San Juan in the Caribbean.

What's more, when you fly National, you'll enjoy our sunny service all the way. To all our cities. In all the Americas.

For full details see your Travel Agent or call National Airlines on 01-629 8272. (Or for cargo enquiries, 01-759 7296).



# National Airlines America's Sunshine Airline

National Airlines Inc. is incorporated in the state of Florida, USA.

This announcement appears as a matter of record only.

## NORGES KOMMUNALBANK

Luxembourg Francs 1,000,000,000  
8 7/8 per cent. Term Loan due 1989

Unconditionally and irrevocably guaranteed by

### THE KINGDOM OF NORWAY

Manager

### BANQUE NORDEUROPE S.A.

Co-managers

Andresens Bank International S.A. Bergen Bank International S.A.  
Christiania Bank og Kreditkasse International S.A. Den norske Creditbank (Luxembourg) S.A.

Provided by

Andresens Bank International S.A. Den Danske Bank International S.A.  
Banque Nordeurope S.A. Den norske Creditbank (Luxembourg) S.A.  
Bank Oppenheim Pierson International S.A., Kansallis International Bank S.A.  
Luxembourg Landesbank Rheinland-Pfalz und Saar International S.A.  
Bergen Bank International S.A. International S.A.  
Caisse d'Epargne de l'Etat PKbanken International (Luxembourg) S.A.  
Christiania Bank og Kreditkasse Svenska Handelsbanken S.A.  
International S.A. The Taiyo Kobe Bank (Luxembourg) S.A.  
Crédit Lyonnais - Luxembourg Branch Union Bank of Finland International S.A.

Agent

### Banque Nordeurope S.A.

July 1979

AMERICAN NEWS

WORLD TRADE NEWS

White House plays down gloomy economic forecast

BY JUREK MARTIN, U.S. EDITOR, IN WASHINGTON

THE CARTER administration tried yesterday to play down the significance of an internal report, leaked to several newspapers, which forecasts a deeper than predicted economic recession this year and a much slower recovery in 1980.

Recess delays rationing powers

BY DAVID BUCHAN IN WASHINGTON

PRESIDENT CARTER is now almost certain not to set emergency authority to ration petrol until the autumn. The rationing Bill, passed finally by the House of Representatives on Wednesday, still needs Senate approval, and Congress is due to start a month's recess today.

Petro-Canada pledge

BY VICTOR MACKIE IN OTTAWA

MR. RAY HNATYSHYN, Canada's Minister of Energy, said yesterday that Petro-Canada, the national petroleum agency which the Conservative Government has said it will disband, is still involved in oil negotiations with Mexico and may participate in future

Free-spending over as Venezuela cuts back growth plans

BY KIM FUAD IN CARACAS

VENEZUELA'S NEW Christian Democratic Government intends to take two steps backward before expanding the country's oil-based economy, following five years of impressive but erratic growth.



Former President Perez... ambitious



Mayor Landrieu... reversed decline

Mayors add colour to Carter Cabinet

PRESIDENT CARTER'S selection of one serving and one former mayor to fill gaps in his Cabinet would normally have been hailed as both sound and politically astute.

Mr. Goldschmidt, 29-year-old Mayor of Portland, Oregon, may be the safest appointment of the two.

Public transport Even more attractive, from the point of view of the White House, Mr. Goldschmidt will be the first Secretary of Transportation with a strong transit background at a time when public transport has assumed prime importance.

After assuming office in 1973, Mr. Goldschmidt fought against plans to build two motorways, ultimately using the funds to revamp Portland's transit system.



President Herrera Campins... fiscal discipline

This means that passage of the Bill would have to be held over until Congress which recesses this week reopens in October, unless an extension of session is approved.

Bogged down Mr. Landrieu, a former president of the U.S. conference of Mayors, is expected to bring a similarly colourful leadership to a Department long bogged down in controversy over urban programmes.

Dr. Martinez says that the Government has established a plan for its stabilisation plan, including the lowering of unemployment at about five per cent, inflation at 10 to 12 per cent and reduction of the current account deficit from the present equivalent of 35 per cent of exports to 25 per cent by 1981.

UK may earn extra £450m from Middle East this year

BY OUR FOREIGN STAFF

BRITAIN could earn an extra £450m in export revenues from the Middle East this year as a result of the big increase in the oil price.

Alcan starts feasibility study on Australian aluminium smelter

BY JAMES FORTH IN SYDNEY

ALCAN ALUMINIUM OF CANADA has announced that an Australian subsidiary will begin work immediately on a detailed feasibility study for the construction of a smelter in Gladstone, Queensland.

£23m order for STC Indian Ocean cable

Financial Times Reporter

THE SUBMARINE Systems Division of Standard Telephones and Cables (STC) has been awarded a £23m contract for the first submarine telephone cable system to be laid in the Indian Ocean.

The link is the initial phase of the Indian Ocean Commonwealth cable system planned by seven Commonwealth telecommunication entities - India, Malaysia, UK, Sri Lanka, Australia, Singapore and Canada.

Ford considering major expansion in Portugal

BY JIMMY BURNS IN LISBON

FORD IS considering a major expansion of its operations in Portugal which could include the building of a new \$650m (£296m) assembly plant.

Mr. Lutz has come away with a very favourable impression of Portugal. Mr. Patrick Byrne, chairman of Ford Lutz, the U.S. company's Portuguese subsidiary, said yesterday.

Diana Smith reports on the Tucuruí hydroelectric scheme in the Brazilian Amazon.

Oil crisis saves the dam

TO THE RELIEF of planners and manufacturers concerned with the Tucuruí hydroelectric scheme in the Brazilian Amazon, it now seems that the project will not suffer untenable delays or financial cutbacks.

Suarez to visit Brasilia

BY DIANA SMITH IN BRASILIA

SEÑOR Adolfo Suarez, the Spanish Prime Minister, will discuss both political and trade matters during his two day official visit to Brasilia, which begins on Monday.

Buyers face third quarter cuts of 30% in Mexican oil supplies

By Kevin Dome, energy correspondent, in Mexico City

BUYERS OF Mexican crude oil are facing cuts in supplies of up to 30 per cent in the three months to the end of September because of production difficulties and port congestion.

Alcan starts feasibility study on Australian aluminium smelter

ALCAN ALUMINIUM OF CANADA has announced that an Australian subsidiary will begin work immediately on a detailed feasibility study for the construction of a smelter in Gladstone, Queensland.

Biggest ever ECGD deal

The Export Credits Guarantee Department has guaranteed the funding and repayment of a \$550m loan which Grindley Brands, acting on its own behalf and for a syndicate of 26 banks, has made available to Metalurški Kombinat Smederevo, Yugoslavia.

The loan will help finance a contract awarded to Davy Llewellyn which will supply equipment and know-how and will supervise phase two of a cold-rolled production.



The Tucuruí scheme, first conceived 10 years ago, has always been deemed vitally important to those anxious to west the North from its traditional state of underdevelopment.

MENACE, MYTH OR MAGIC FORMULA? see page 7

# HOLD IT!



## We need time

The world is using up its supplies of oil too fast. It has been for several years, but now we've reached the point where something must be done.

What we need is time.

Time to find new oil fields and develop existing ones fully.

Time to develop new sources of oil such as shale oil, tar sands and oil from the liquefaction of coal.

Esso, as a Company whose business is energy, needs the time to develop new forms of energy such as solar and nuclear. We're working at it.

There is something else we can all do - now. Use all forms of energy more efficiently. Make what we have last longer. Use a little bit less.

Give ourselves time.



# Jenkin faces revolt by Health Service unions

BY GARETH GRIFFITHS AND PAUL TAYLOR

HEALTH SERVICE unions are to draw up plans to fight the Government's suspension of the members of the Lambeth, Southwark and Lewisham Area Health Authority.

The move follows the decision by Mr. Patrick Jenkin, the Social Services Secretary to suspend 33 members because they refused to make spending cuts of £5m this year.

Mr. Jenkin has used emergency powers in the 1977 Health Service Act and as an interim measure the South East Thames Regional Health Authority will take over the members' powers and functions.

A meeting today of local members of the Confederation of Health Service Employees will vote on a motion not to co-operate with either the

Region or the commissioners. The Confederation's national executive, meeting next week, is expected to endorse the action taken locally.

The National Union of Public Employees is holding talks with other Health Service unions and the local authorities next week to work out a combined action strategy.

Disruptive

Mr. Bernard Dix, assistant general secretary, said the initiatives would come from local branches but he hoped the stand taken by the members of the Area Health Authority against the cuts would be followed elsewhere.

Mr. Harry Barker, NUPE's Greater London divisional officer

# British Aerospace welcomes changes

By Michael Dome, Aerospace Correspondent

BRITISH AEROSPACE, the nationalised aircraft manufacturing group, wants to see any future public shareholding in the venture spread as widely as possible across the work-force and nation, and not dominated by a few big institutional or other investors.

In its first public statement on the Government's recently expressed intention to sell off "about half" of the group's shares to the public, British Aerospace gives a cautious welcome to the plan.

"A minority shareholding spread across a wide section of the nation, including the BAE workforce, could increase the involvement and interest of the British public generally," it says.

"A majority private holding, or a dominant private holding, could change the nature and national identity of the company insofar as we have the opportunity to influence the direction of future changes, we must seek to minimise the potential dangers."

"We have made clear already our view that the present corporate base of BAE is best fitted for the internationally competitive business of aerospace."

"For good commercial and industrial reasons we believe that the spread of products covering military aircraft, civil aircraft, space systems and guided weapons is desirable. All our major competitors share this view and act accordingly."

"With these factors in mind, we were glad to learn that it was the Government's 'strong preference to maintain the present structure of the industry'. We would like to see this strong preference become a positive purpose."

# Construction equipment talks called by Joseph

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

LEADERS OF the construction equipment industry have been invited by Sir Keith Joseph, Industry Secretary, to discuss with him how the Government can help them to improve the competitiveness of their 150 companies.

The industry was discussed this week by the National Economic Development Council, when a paper was presented by Sir Jack Wellings, chairman of the council's construction equipment and mobile cranes working party.

Sir Jack, who is also chairman of the 600 Group, emphasised the need for the industry to be reconstructed and for productivity to be improved. The Government might help in the reconstruction, he suggested.

He was supported by Mr. John Baldwin, general secretary of the Amalgamated Union of Engineering Workers' construction section, who has led a sub-committee comparing performance in the UK and U.S. Mr. Baldwin believed that trade unions should adopt a new role in helping to improve productivity in their industry.

Competition

Sir Keith invited both men to discuss what might be done. Although the Industry Department has been running down its selective industrial aid schemes, Sir Keith emphasised that State aid was still available.

Sir Leslie Murphy, chairman of the National Enterprise

Board, said that his organisation had looked into the industry but had found no focal point for reconstruction.

The sector working party's report said that competition at home and abroad was extreme and that the domestic market was the "most difficult for 30 years."

Ideas for releasing publicly owned land in London's docklands for industrial and other development are to be submitted in detail to Sir Keith by the London Chamber of Commerce.

Sir Keith met the Chamber yesterday when suggestions from London businessmen for a docklands promotion agency were also discussed.

# Companies respond to 'save fuel' plea

WEST MIDLANDS companies are implementing energy conservation programmes which are giving savings of up to 25 per cent, says a survey by the regional office of the Confederation of British Industry.

The survey of more than 130 companies revealed only one which was doing nothing. Mr. Reg Fawkes, regional chairman, said workers had co-operated enthusiastically with management in introducing schemes.

The most popular energy-saving measures were switching from oil to gas, extra insulation and temperature controls.

# NEWS ANALYSIS—NATIONAL COAL BOARD

## Production falls and £19.4m lost

BY JOHN LLOYD

IT HAS NOT been a good year for the National Coal Board. It has shown a £19.4m loss after a £20.9m surplus in 1977-78, and its production is down by 1m tonnes. Only three of its 12 areas showed a profit on the year, and it managed a self-financing ratio of only 24 per cent—down from 38 per cent in the previous year and less than half of the 50 per cent target.

Sir Derek Ezra, the NCB chairman, has laid the blame squarely on forces outside of his control—transport strikes and severe weather in the first three months of this year.

"In financial terms, this enforced loss of business adversely affected our cash flow to the tune of no less than £100m and reduced our profits by over £30m. It was a severe financial blow from which we had no opportunity to recover before the end of the financial year," he said.

Sir Derek drew attention to the fact that the trading profit was up—from £105.7m in 1977-78 to £121.1m last year—and to a higher level of interest charges—up from £87m in 1977-78 to £188m last year.

At the same time the board enjoyed a greatly enhanced Government grant—up nearly £100m, from £75m in 1977-78 to £172m last year. Thus, even without the uncontrollable events of last winter, the industry would have had difficulty in achieving its target of breaking even, and could probably not have raised the 24 per cent self-financing ratio—£102m—appreciably either.

Within the generally lower surpluses, or higher losses, recorded by each area, there were two success stories which brighten the picture and show that improvements can be achieved. The Scottish area

turned in a loss of £12.2m last year, £4.2m better than the previous year; more dramatically, the chronic loss-making area of South Wales almost halved its losses, from £31.8m in 1977-78 to £18.9m last year. Area director Philip Weekes said yesterday that output had risen by 400,000 tonnes and productivity by 9 per cent—the first real increase in 16 years.

of output targets it has set itself to the end of the century from £39.4m in 1977-78 to £45.4m last year. This year, investment is running at around £550m, and is likely to continue to rise into the future. It is on this which the board is focusing its attention when it looks for a financial solution, arguing that if funds are supplied in the shape of public dividend capital—where

	£m	%
Total income (excluding Government grants under Coal Industry Acts)	3,140.1	
Less: purchased materials and bought in services	1,298.2	
Value added in 1978/9	1,841.8	(59% of total income)
of which		
Paid to employees (wages, pensions and other benefits)	1,640.2	89.1
Paid to central and local government (net of Government grants)	22.8	1.2
Paid as interest on other borrowings	78.8	4.2
Retained in the business for the maintenance and expansion of assets	102.0	5.5
Total	1,841.8	100

Still, the total losses from the 12 areas came to £91.9m, compared with £13.4m in the previous year. Even with an extra regional grant of £50m the final loss figure from the areas were three times worse than in 1977-78.

Apart from grants the board's accounts were aided by a sharp rise in operating profits from its coal products division, where the manufacture of coking and smokeless fuels showed an operating profit of £13.2m, against one of £2.7m in the previous year. Much of this, it may be presumed, is due to price rises in the smokeless fuel sector.

Capital expenditure is up sharply—as it must be, if the industry is to achieve the 100

the dividend can be deferred until the return from major projects come rolling in in the latter part of the 1980s—then it need no longer register a loss.

Productivity is up over the period covered by the report, but Sir Derek said yesterday that it had fallen again in the first half of this year. Is the area incentive scheme then, paying for itself? Sir Derek replied that it appears to be certain that it has shown a deterioration: it is likely, however, that it is not "paying for itself" in strict financial terms.

Finally—the board will be able to deliver the promised 75m tonnes of coal to the Central Electricity Generating Board in the current year.

Sir Derek said he was "almost on target," but was nearly 500,000 tonnes down on last year's level. Last year, the NCB supplied around 69m tonnes to the CEBG.

# Amount of land for private building was 'over estimated'

BY ANDREW TAYLOR

MR. TOM KING, Minister for Local Government, has backed a new approach to assessing land availability for private housebuilding.

This follows publication of a joint study in Greater Manchester by the Department of the Environment and the House-Builders' Federation.

House-builders have long said that there is a national shortage of land for private housebuilding, while officials of the Department have produced national statistics showing that there is enough land to sustain housebuilding at its present levels for several years.

It was in a bid to resolve this conflict and arrive at a more realistic method of land appraisal that the study was set up.

It brought together private house-builders and the 10 district councils in Greater Manchester to make a site-by-site analysis of potential building land.

The study disclosed that local authorities originally over-estimated the amount of land available for private housebuilding in the 34 years to 1982. District council estimates that up to 27,000 private dwellings could be built in the period have been reduced to 21,000.

Mr. King welcomed the study yesterday and urged other local authorities and house-builders to follow suit.

In a joint statement with Mr. Donald Moody, president of the House-Builders' Federation, Mr. King said: "The report shows how misleading broad statistics and generalised impressions can be."

"The demand for land, like the housing markets that give rise to it, is complex and highly local. There can be a shortage of land in one locality that is masked by surpluses only a few miles away."

"In assessing the availability of land the study team took into account factors like the need for adequate infrastructure; timing of developments to make an orderly market; and special problems of inner city areas."

Cricket problem

THE BBC said yesterday it was still prepared to talk about the screening of next winter's cricket Test series from Australia. But described a demand from Mr. Kerry Packer, who holds exclusive TV rights to Australian cricket, as "totally out of the realms on which British television is normally based."

The BBC denied reports that Packer had asked for more than £250,000 but added: "It is up to the Packer Organisation to make a more realistic suggestion."

Profit reported

WHOLESALE Vehicle Finance, a partly-owned subsidiary of the National Enterprise Board, yesterday reported a pre-tax profit of £451,000 for the six months ended July 1, 1979. The company was launched in January to enable BL distributors and main dealers in the UK to hold stocks of cars and light vehicles.

Pupils hampered

MANY CHILDREN are being hampered because their secondary-school teachers are insufficiently qualified to teach at the required level, according to a Government inspectors' survey made between 1975 and 1978. The survey was carried out at 51 grammar, 97 secondary modern and 236 Comprehensive schools.

Fewer fail

THERE WERE fewer company liquidations in the second quarter of this year, according to the Trade Department Company Liquidations, seasonally adjusted, fell from 1,250 in the second quarter to about 910 in the second. Compulsory liquidations dropped from 580 to 310. Creditors' voluntary liquidations fell from about 670 to around 590.

Welsh employment

EMPLOYMENT PROSPECTS in North Wales have been boosted by the allocation of a further nine Welsh Development Agency factories which should provide nearly 400 jobs.

The biggest venture is at Caernarfon where Davies and Field, part of the Raybeck retail group, is to take over a 10,000 sq ft unit to produce dresses.

Tonka pulls out

TONKA CORPORATION, one of the smaller U.S. toy manufacturers, is relocating its UK warehouse at its European headquarters in Battice, Belgium. About 12 UK employees will be made redundant.

Islanders' protest

THE EIGHT islanders on Flotta in Orkney are opposing the proposed siting of a £50m natural gas plant, which involves the grounding of two supertankers, off their island.

Aircraft on show

MORE THAN 70 different types of light business and executive aircraft are expected to appear at the sixth Business and Light Aviation Show, to be held at Cranfield aerodrome, Bedfordshire, from September 6-8.

Airtours' record

BRITISH AIRTOURS, the Gatwick-based holiday flying subsidiary of British Airways, earned a record profit of £1.7m before tax in the year to end March last compared with a profit of £900,000 in the previous year.

Textile chief

THE YORKSHIRE-based wool textile industry is to be headed by Mr. John Robert Farr, aged 44. He will become Director-General of a new body which is to help the industry meet and adapt to changing conditions.

Press Council move

MR. KENNETH MORGAN, aged 50, deputy director of the Press Council, is to be its next director, the council said yesterday. He succeeds Mr. Noel S. Paul, who retires at the end of 1979.

ICI increase

IMPERIAL Chemical Industries is raising its polypropylene prices from September 1, by between 5 and 19 per cent.

**SENTRUST LIMITED**  
(Incorporated in the Republic of South Africa)

FINANCIAL RESULTS FOR 1979

The audited consolidated financial results of the company for the year ended 30 June 1979 are as follows:

**SALIENT FEATURES**

	1979	1978
Number of shares issued	18,000,000	18,000,000
Per share		
Earnings—before investment transactions	45.0c	34.2c
—surplus on investment transactions (net)	19.1c	15.6c
Dividends	38.0c	30.0c
Income retained	26.1c	22.8c
Net asset value per share	376c	421c

**SUMMARISED CONSOLIDATED INCOME STATEMENT**

	1979	1978
Income from investments	R700	R250
Sundry income less expenses	(31)	34
Net income before tax and investment transactions	8,252	6,294
Net income after tax before investment transactions	8,107	6,148
Dividends paid	6,419	5,400
Ordinary income retained	1,267	748
Net surplus on investment transactions after tax and amounts written off	3,436	3,353
Total income retained	4,703	4,101

**SUMMARISED CONSOLIDATED BALANCE SHEET**

	1979	1978
Investments	R700	R250
—Listed	49,782	39,440
—Market value	(89,453)	(60,573)
—Unlisted	5,235	6,233
—Directors' valuation	(18,688)	(14,800)
Land and buildings	1,947	1,864
Current assets	4,225	4,486
<b>TOTAL ASSETS</b>	<b>61,522</b>	<b>52,123</b>
Current liabilities	10,206	5,510
Long-term liability	500	500
<b>Total liabilities</b>	<b>10,706</b>	<b>6,010</b>
<b>SHAREHOLDERS' EQUITY</b>	<b>50,816</b>	<b>46,113</b>

NOTE: The Directors have decided not to continue with the rights issue which was under consideration earlier in the year.

On behalf of the board,  
F. J. RAIN, Director  
6 Holland Street,  
Johannesburg, 2001  
(P.O. Box 61519, Marshalltown, Transvaal 2107)  
3 August 1979

# Ship repair chief moves back to private sector

BY LYNTON MCLAIN

MR. ROBERT BUTLER, chief executive of the State-owned Tyne Shiprepair Group, is leaving next Friday to return to the privately owned Clydeside Engineering, where he is chairman.

He will by then have completed a two-year contract with British Shipbuilders under which he helped to reorganise the group's six yards into a coherent marketing and production centre and achieved a no-strikes agreement with the unions.

Improved marketing almost doubled the group's turnover in the year to the end of March to £32m. But at the same time losses before tax more than doubled to £5.3m.

Mr. Eric Mackie, who joined the corporation as managing director for ship repair, is to take over as chief executive of the Tyne group until the post is filled.

Meanwhile, Mr. Butler's renewed full-time commitment to his old company comes as the corporation is talking to bidders, including Clydeside Engineering, about a possible take-over of the troubled Falmouth Shiprepair subsidiary.

British Shipbuilders has valued its assets at Falmouth at £10m and said last month that "all worthwhile offers would be carefully considered." But the corporation is understood to prefer to keep Falmouth either for development at a later date or for sale when the shiprepair market is stronger.

The corporation has also announced that Mr. Dennis Pascoe, general manager of the Falmouth Group, has taken over the day-to-day running of the business after the resignation this week of Mr. Ian Sutherland as managing director.

# Brokers optimistic on inflation

BY PETER RIOCELL, ECONOMICS CORRESPONDENT

A CAUTIOUSLY optimistic view of the prospects for inflation is taken by several City analysts in a batch of new brokers' reviews. This reflects the impact of the recent appreciation of sterling.

The brokers' Capel-Cure Meyers, for instance, suggest that the underlying rate of retail price inflation may be down to single figures by the end of next year.

This is on the assumption that the exchange rate holds at roughly its present level in the next year, which should be sufficient to offset the effects on prices of the rise in value-added tax. Average earnings are projected to rise by about 14 per cent.

De Zoete and Bevan say that even if sterling falls to £1.90 against the dollar by autumn 1980 the annual rate of retail price inflation may be down to 9.3 per cent by the first quarter of 1981.

The rate would be 6.6 per cent by then if the pound moved up to \$2.50 in the next 12 months.

In their "Economic indicators for company planning," Stagnall Hall Associates, the business advisers, forecast an 11 per cent rate of increase by the end of 1980, with a return to single figures thereafter.

The brokers Simon and Coates are more cautious in view of the general upward

pressures on prices, partly as a result of Government policies such as public spending cuts.

"Even a further 10 per cent rise in the currency (which would cause panic in many quarters) would be unlikely to push the inflation rate down into single figures by the end of next year."

In a comment on exchange rates and inflation for the brokers Buckmaster and Moore, Dr. Ian Richards and Mr. Geoffrey Wood say that the strength of sterling is not causing the UK rate of inflation to fall, but is compressing the time lag between a tightening of monetary policy and a fall in inflation.

# Scots mining deaths double

By Ray Perman, Scottish Correspondent

EIGHT MEN were killed in coalmining accidents in Scotland last year—more than twice the number who died in 1977.

The report of the Health and Safety Inspectors, published yesterday, shows a disturbing rise in serious and fatal accidents in Scottish pits. When measured against the number of shifts worked, accidents have increased by more than 10 per cent over the past three years.

The inspectors particularly noted that more than a third of all accidents involved either haulage or transport underground. Most of the accidents were clearly avoidable, and were frequently caused by failure to comply with recognised good practice.

# Merseyside docks call for regional aid

BY IAN HARGREAVES AND LYNTON MCLAIN

PORTS SHOULD be made eligible for regional development aid to boost essential investment for the 1980s, Mr. James Fitzpatrick, managing director of the Mersey Docks and Harbour Company, told the Government yesterday.

At a meeting with Mr. Norman Fowler, Transport Minister, Mr. Fitzpatrick made a strong plea for relaxation of the restrictions on regional investment grants to services industries.

"We generate about half Merseyside's economic base, so it's absurd to classify us with hairdressers and saunas baths," he said later.

Mr. Fitzpatrick is urgently seeking a way of raising funds for the port's long-term strategy, which envisages fitting in old general cargo berths in a big area of the northern part of the port.

Work has already started on a £6m scheme to fit in Langton Dock. This will make the area suitable for inland shipping containers and general cargo.

The port's 25-year strategic review sees the move towards combined freight continuing. Deepwater berths and large land areas are likely to be needed for storing containers.

Mersey Docks' problem is that with only a small trading profit and a net pre-tax loss of £1.47m last year and only a slightly improved performance expected this year it does not believe it can generate enough cash to finance its planned programme by conventional Harbours Act loans, which carry fixed interest.

Mr. Fitzpatrick said it was unfair for the Government to single out the Port of London—which lost over £17m last year—when other ports are also suffering severe shortages of funds.

Liverpool is affected, like other ports, by the general depression in world shipping. But it is also expected to have the additional burden of the loss of iron ore handling—worth £700,000 a year—with the planned closure of the Shelton steel works. Plans are in hand to find replacement work.

# Textile chief

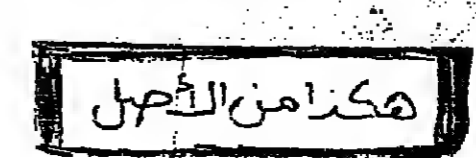
THE YORKSHIRE-based wool textile industry is to be headed by Mr. John Robert Farr, aged 44. He will become Director-General of a new body which is to help the industry meet and adapt to changing conditions.

Press Council move

MR. KENNETH MORGAN, aged 50, deputy director of the Press Council, is to be its next director, the council said yesterday. He succeeds Mr. Noel S. Paul, who retires at the end of 1979.

ICI increase

IMPERIAL Chemical Industries is raising its polypropylene prices from September 1, by between 5 and 19 per cent.



# Is this the only way to tell the public your story?

Even today, some companies still think all they need to do to gain the public's attention is to go in for a bout of drum-beating or tub-thumping.

There is, of course, a more effective way of telling your company's story. And getting it heard.

### Advertise to reach the right audience

Corporate advertising is one good way of gaining public sympathy. And it can be used to reach any of the audiences who may be interested in your performance: trade unionists, customers, Government organisations, the international financial community, and other people overseas.

Intelligently used as a mass communications vehicle, effective corporate advertising not only educates and informs, it can also help develop—and confirm—ideas and attitudes among all these groups.

Far from hindering your relationships with the public, it can only improve them. Now and in the future.

### Getting the right results

Recognising the value of corporate advertising is one thing. Getting it right is another.

It has to relate to your company. It has to relate to its audience. It demands a long-term commitment. And, obviously, it has to be done well.

Which is why we've produced a brochure to help you get it right.

### A guide to successful work

"Corporate Advertising: Menace, myth or magic formula?" not only discusses the importance of corporate advertising, it tells you how to go about it.

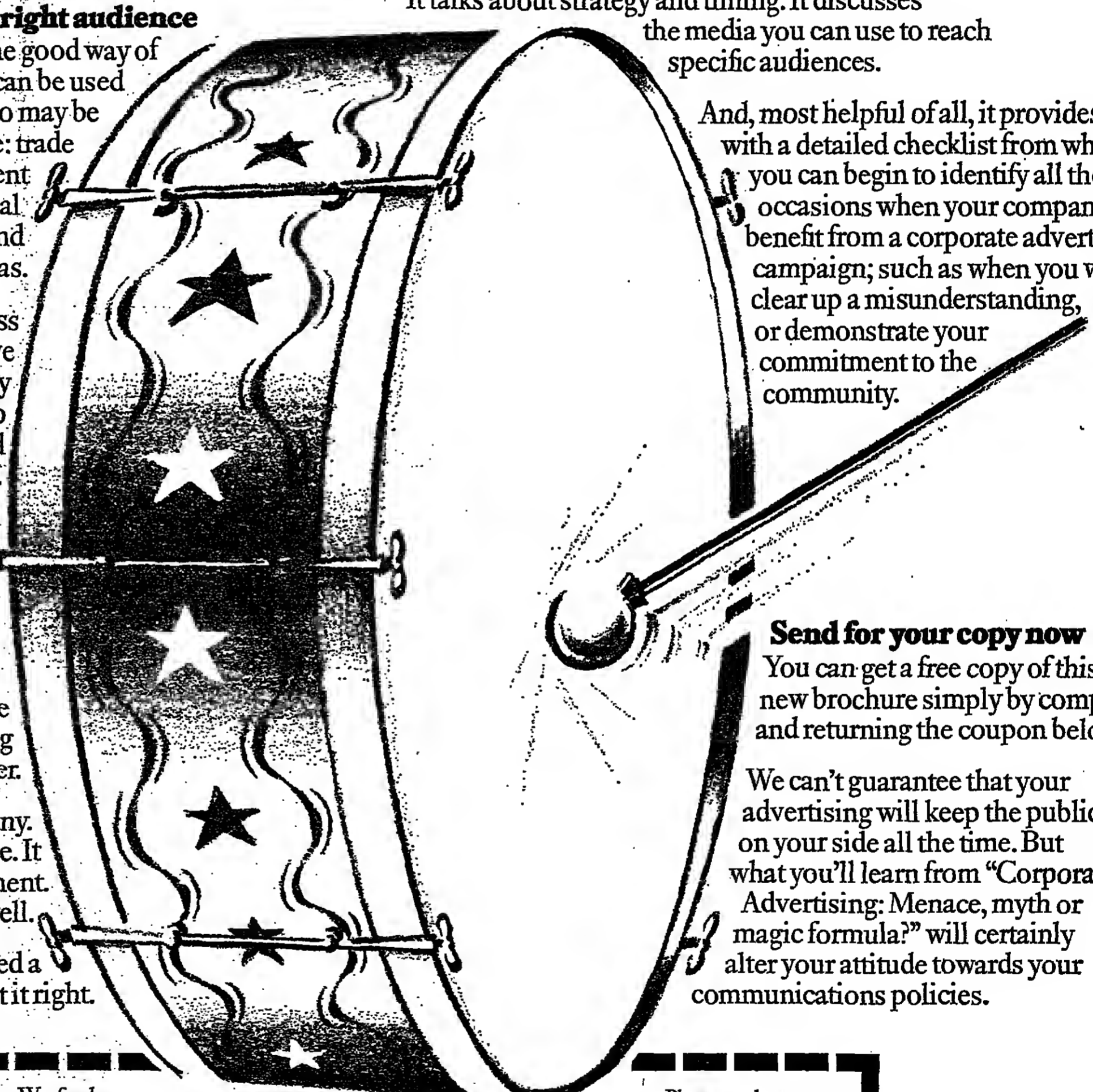
It includes examples of successful campaigns. It talks about strategy and timing. It discusses the media you can use to reach specific audiences.

And, most helpful of all, it provides you with a detailed checklist from which you can begin to identify all those occasions when your company could benefit from a corporate advertising campaign; such as when you want to clear up a misunderstanding, or demonstrate your commitment to the community.

### Send for your copy now

You can get a free copy of this new brochure simply by completing and returning the coupon below.

We can't guarantee that your advertising will keep the public on your side all the time. But what you'll learn from "Corporate Advertising: Menace, myth or magic formula?" will certainly alter your attitude towards your communications policies.



To: Anthony Wreford,  
Financial Times, Bracken House,  
10 Cannon Street, London EC4P 4BY.

Please send me a copy  
of your brochure "Corporate Advertising:  
Menace, myth or magic formula?"

NAME \_\_\_\_\_ POSITION \_\_\_\_\_

COMPANY \_\_\_\_\_

ADDRESS \_\_\_\_\_

NATURE OF BUSINESS \_\_\_\_\_



UK NEWS

LABOUR NEWS

Clinton Davis attacks Take-over Panel

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

A STRONG attack on the City Take-over Panel for its "inadequacies" in dealing with Ashbourne Investments... Mr. Davis who was responsible for the panel...

Bid to retrieve illegal exports of art treasures

NEW MEASURES to retrieve antiquities and paintings that are illegally exported from Britain are being considered by the Reviewing Committee on the Export of Works of Art...

Tax adjustment might slow down index rise

THE AVERAGE increase in the retail price index over the 1978-80 financial year might be 14.9 per cent if the figures are adjusted for the impact of direct tax cuts...

APPOINTMENTS

Senior Hongkong and Shanghai Bank changes

THE HONGKONG AND SHANGHAI BANKING CORPORATION has made a number of changes in some of its senior positions... Mr. A. G. Mosley, an executive director...

Government technicians settle for arbitration

By Philip Bassett, Labour Staff

CIVIL SERVICE technicians whose industrial action over pay has disrupted defence and other government operations will resume normal working next week...

No delay in Harland job cuts

By Our Belfast Correspondent

HARLAND AND WOLFF, the state-owned Belfast shipbuilder, told trade unions yesterday that it could not postpone a cut in the labour force...

Supply boats start blacking rigs

BY NICK GARNETT, LABOUR STAFF

NORTH SEA supply boat crews at the main Scottish ports have obeyed an instruction from the National Union of Seamen to stop service rigs and platforms...

Demarcation dispute on Clyde may end

BY RAY PERMAN, SCOTTISH CORRESPONDENT

THE INTER-UNION dispute that has kept the British Steel Corporation's £100m ore terminal at Hunterston on the Clyde idle since it was completed in March...

Scottish jobs campaign

BY RAY PERMAN, SCOTTISH CORRESPONDENT

THE SCOTTISH TUC is to launch a major campaign against the Government's industrial policies which, it says, will hit jobs in the 1980s...

Engineers may escalate action

By Alan Pike, Labour Correspondent

THE engineering unions "can not discount" an all-out strike and area selective strikes over their national pay claim...

ENERGY REVIEW: SAUDI ARABIA

Complex patterns on a raised ceiling

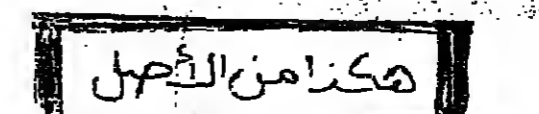
BY JAMIE BUCHAN IN JEDDAH

Table with 5 columns: Year, Production, Maximum sustained capacity, Snapback maximum capacity, Facility capacity. Data for Saudi Arabia from 1978 to 1983.

ON JULY 2, the Saudi royal court announced its long-awaited decision to raise production from its major fields above the levels of the second quarter...

attempt to exercise a degree of control over the final destination of Aramco oil, although the partners, like Petromin, jealously guard the details of their oil contracts...

chief executive, Abdul Aziz al-Zamel, "the oil settlement" is the "last major agreement" on the project. The interested firms, many of whom have seen major cuts in their supplies from Iran...





MANAGEMENT

EDITED BY CHRISTOPHER LORENZ

Kenneth Gooding and Hazel Duffy examine how mammoth investment programmes by Britain's two largest car manufacturers are giving the domestic industrial equipment industry a chance to prove its worth against foreign competition.

Ford's capital opportunity for UK equipment makers

THE flow of orders from Ford for capital equipment, plant and buildings in the UK reached a peak in 1978. In all the group placed contracts worth a total of around £165m. The main element in the programme, and the one which pushed orders to record heights, was the new £250m engine plant going up at Bridgend. About £90m of the 1978 order total will be spent at Bridgend.

but in 1980 and 1981 Ford expects to be back in the market with a bang. That is not to say that Ford will cut back spending and investment this year; it is just that the order flow will not be at such a surging rate. Apart from the Bridgend project, the group is currently modernising its forge at the Dagenham plant, modernising the Halewood plant to make room for the Escort, the replacement for the Ford Fiesta which should reach the market at the end of next year or early in 1981.

British policies have had a beneficial effect on many machine tool companies. For example, it encouraged some of its suppliers to compete for orders from Ford in the States which has now started a \$200m five-year investment programme to produce the new cars which can meet the forthcoming stringent fuel economy and emission control standards set by the U.S. authorities.



K.G.

Cautious BL aims to buy British

DURING THE past couple of years, BL has embarked on a huge capital investment programme for the production of its new Mini model, and to expand the manufacturing facilities for the Rover line. In 1978, BL's capital spending was £233m, while the prospect is for investment to exceed £200m annually for some time to come.

In practice, a high proportion of equipment is purchased in Britain. An example of where this has not been possible, however, is the automatic welding equipment ordered from Kuka, the German company, which is being installed in the new Mini plant being built at Longbridge. BL says that no British company was able to offer such equipment, but adds that Kuka has subcontracted as much as possible to Britain.

from which BL orders include KTM (Kearney and Trecker Marwin) and Cross International, which are probably the two biggest suppliers, plus Alfred Herbert, Landis Lund, Wickman, Cincinnati Milacoro, Frederick Pollard, Ex-Cell-O Corporation and Wavis. (Four of these companies are American-owned.) The decision about those companies to be awarded an order is made by a tenders board at Austin Morris. The board is made up of engineers and financial managers. The original specification for a machine is drawn up by Austin Morris engineers. This is submitted together with a recommended list of manufacturers to the purchasing department, who then send out the inquiry, together with the standards that have to be met, to the prospective suppliers. A short list is drawn up from the tenders, and this will be investigated further by the engineers on the tenders board before a recommendation is made.



ABOVE: Engines for BL's Rover 3500 range—investment in group plants runs at around £200m a year, with equipment generally being purchased in the UK, if available elsewhere. ABOVE RIGHT: One of Ford's German plants—the group is organised on a European basis and about half its budget for new equipment in the UK is spent outside the UK.

Technical News

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

Two ways to brake rolling stock

TESTED by the New York Transit Authority and latterly by Montreal Metro, the Godwin Warren friction buffer (known in America as a bumping post) is gaining widespread acceptance. Developed by Godwin Warren Engineering of Bristol (GKN Group), it can be used in rail terminals and sidings and also in a retractable form underground. By absorbing the shock of impact and providing a static brake which progressively increases its frictional contact with the rails, the friction buffer is able to stop trains in a predetermined distance. The buffer unit is mounted on the track and slides under impact. Friction shoes incorporating phosphor bronze blocks are used to control speed and distance of slide, and are mounted behind the buffer unit. The more slides used, the greater the retardation. GWE friction buffers are designed to prevent damage to rolling stock, reduce the risk of injury to passengers, lessen the danger of derailment and assist in preventing over-runs. Further from the company at Emery Road, Bristol, BS4 3FW, 0272 778389.

RESEARCH Produces a blue light

USING fabrication methods which have been developed at the Technical University of Hanover, Siemens researchers have produced, on a laboratory scale, light emitting diodes that give a blue light—the one colour that would complete the led spectrum.

The method is based on the deposition of epitaxial silicon carbide layers from a silicon melt on silicon carbide substrates. Aluminium (for p-type) and nitrogen (for n-type) doping are used, and re-doping during epitaxial growth produces pn junctions. Emission is a maximum between 460 and 480 nanometres wavelength, the current taken 50 mA. Siemens points out that the chief obstacle in the way of manufacturing such diodes is the absence of large area silicon carbide crystals for the substrate materials. The company says it is impossible to forecast when such blue diodes will become available.

SECURITY Valuables kept safe

AVAILABLE FROM Crado Devices, 3 Binebell Wood, Billerica, Essex (02774 58232), is a hotel room safe with a double entry combination locking mechanism which does away with guest's keys and master keys. The door has four dials each marked with the letters of the alphabet, providing over 456,000 codes which the company claims are more easily remembered than numerical ones. The user programmes the code himself with the door open by setting up the four dials: the code can always be changed with the door open. The door locks as soon as it is closed and can only be opened with the chosen code. Management can gain access using a secondary combination code in conjunction with a management key. This hotel staff cannot open a safe unless they have both the key and the management code; the latter can always be changed as staff changes, or if the keys are lost, suspected to have been copied, or stolen. The company emphasises that the trickster who might claim that he put a large sum in the safe to find it gone in the morning can be guarded against by notices pointing out that high value items should be left with the hotel security officer.

ENERGY Takes heat to remote points

HEAT PIPES provide a most efficient means of transferring large amounts of heat energy, with no moving parts and the simplest of structures. Basically a closed metal tube which, by and large, can be shaped in almost any way to suit the application, it enclosed a volatile fluid. This evaporates readily on heating and the vapour moves towards the further, cool, end of the tube. There, it condenses, releasing heat and is absorbed by a wick which transports it by capillary action back to the starting point. But they have a weakness in that gravity limits their effectiveness to the equivalent of about 12 inches head, due to the properties of the capillary structures used. Designers at Hughes Aircraft, seeking to overcome this problem, have applied osmotic pumping to the heat pipe with considerable success. Osmosis is the pumping action which takes place when solutions of differing concentrations are separated by a membrane permeable to the solvent but impervious to the solute. Solvent will pass from the low to the high concentration side till equilibrium is reached on both sides. Combining this action with the heat pipe harnesses the heat being transported to separate pure solvent vapours from the mixture. A vapour vent point along the new type of pipe, the heat is released as the solvent condenses. The pumping action brings this fluid up against the membrane on the other side of which is a solvent-solute mixture which is being continuously concentrated as solvent is boiled off. This "osmotic pumping" develops enough power to overcome gravity to considerable heights—possibly thousands of feet. But while the heat pumps now in use in areas from spacecraft to large furnaces will cope with temperatures from minus 240 to plus 1,450 degrees C, the limiting factor of the new concept will be the membrane, though designers are hoping to run the pump at 300 degrees without material degrading. Hughes Aircraft Company, Building 100, M/S C890, POB 90515, Los Angeles, Cal. 90009, U.S.

Small water turbine

NOW IN the production prototype stage at Pullen Pumps, 58, Beddington Lane, Croydon, Surrey (01 684 9521) is an in-line water powered turbine for driving small ventilation fans and air cooling units in mines and other locations where intrinsically safe (flame-free) equipment has to be employed. Although not yet in full production, running tests have already demonstrated that a shaft output power of about 0.1 brake horse power can be achieved at 2,000 rpm. Flow rate is 3 gal/min, supply pressure 200 lb/sq inch, outlet back pressure 50 lb/sq inch. In a typical mining application a number of these motors might be sited at the working face several hundred yards away from a central water pumping station near the shaft bottom where the combined resistance losses of the lengthy supply and return could be up to four times greater than the actual pressure drop through each turbine. The new device is able to work against a relatively high back pressure. The turbine is of a very simple design with large clearance between multiblade rotor and housing. Shaft bearings and thrust washers are supplied by Glacier Metals, and the high pressure mechanical seal can take working pressures up to 800 lb/sq inch. An associate of the pump company, Pullen Product Developments, is at the moment designing various air moving and air cooling devices around this turbine motor and would welcome enquiries from industry about applications in hazardous places.

HANDLING More room in freezer

A NEW type of conveyor belt designed and patented by Frigoscandia is the key to the operation of the company's Gyrofreeze Compact in-line freezer. Frigobelt is distinguished from existing types by its self-stacking facility; each tier rests directly on the vertical side links of the tier beneath. This construction eliminates the need for rails and runners and allows more tiers of helting to be installed in a given space. The freezer itself has up to 50 per cent greater capacity than a conventional spiral belt freezer of similar height. Internal structure is also simplified by the self-stacking helting design. The customary friction-drive capstan is replaced by a chain-driven carousel, on which the spiral rests, and a light framework of idler rolls to steady the stack. Side links form a closed tubular freezing zone which effectively channels the vertical air flow and removes any risk of lightweight products being blown or tumbled off the belt. Hygiene is also improved because there are no stationary parts inside the freezing zone. Product comes into contact with nothing except the stainless steel helting which is regularly cleaned and de-iced in an external washer. The Frigobelt stack turns as a unit, with no relative motion between the belt tiers, carrying the products safely and smoothly through and out of the freezing zone without any risk of blockage. Frigoscandia, Scania Street, Hoddesdon, Herts, EN11 5TT, Hoddesdon 45511.

PROCESSES Corrosion and wear lessened

A PARTICULAR version of ion implantation technique developed at Harwell which will reduce both wear and corrosion in metallic components is to be incorporated under licence in machines to be made by Hawker Siddeley Dynamics Engineering of Hatfield. Applicable to steel, tungsten carbide, stellite and other materials, the technique will also modify other properties such as friction, hardness and fatigue resistance. Ion implantation achieves its results by injecting selected ions into and below the surface of the material, changing the metallurgical structure and properties of the surface layers. The process takes place only just above room temperature so that there is no danger of thermal distortion. Ion implantation has already been successfully applied to increase the life of injection moulding equipment, press tooling dies and to steel and tungsten carbide cutting edges. Wire drawing dies have also benefited. Now, says Hawker Siddeley, the life of tungsten carbide can be extended by a factor of five, greatly reducing replacement costs and down time. The company will be building machines based on the Harwell designs and applying its own experience in high voltage, high vacuum, computer control and mechanical bonding. More from R. J. Perdue, Manor Road, Hatfield, Herts AL10 9LP (07072 68234).

HAND TOOLS Cuts with minimum of dust

PROMISING TO produce dust levels well below the current accepted standard of 2 fibres/ml is a power tool which has been recommended by The Asbestos Cement Manufacturers Association, announces Protfram, Baldminton Road Trading Estate, Yate, Bristol (0454 319548). Said to be lightweight and easy to use, the Millers Falls Supersaw should be suitable for all operations requiring the cutting of asbestos cement building products, especially corrugated roofing and cladding sheets. Apart from minimisation of dust, a further advantage of the tool over traditional circular saws is that it is able to cut flush against walls and other obstructions. By means of a simple attachment which can be adapted for right or left hand flush cutting, sheets can now be erected in situ and be trimmed to a perfect fit, says the company.

Be in control with THORN AUTOMATION Controls for industry

POWER Sources of supply

THREE announcements of power sources and associated devices have recently been made. High voltage dc modules from Hunting Hillcott can provide potentials from 11 to 18 kV and are aimed at companies making video display units, electrostatic equipment, lasers and other high voltage apparatus. Input is 24 V dc or if required from any voltage between 12 and 28 dc. Output is six watts maximum and the voltage is adjustable down to 50 per cent of the rated maximum. Move from Old Shoreham, Road, Shoreham by Sea, Sussex BN25 3SE, (09317 4511). Pulse generators from the same manufacturer can supply magnetron voltage regu-

THE WORLD'S AIR POWERS 1979 operational and engineering profiles of Spantax, Spain's holiday charter airline—plus all our regular features and the week's world aviation news. FLIGHT INTERNATIONAL At your newsagent's now—30p

# THE PROPERTY MARKET BY MICHAEL CASSELL

## High funding costs curb British Land

BRITISH LAND, back in the black and with the dark days of November 1974 well behind it, is taking a measured look at where it goes from here.

With its return to revenue surplus one year earlier than expected and net debts down to below £50m from £144m against shareholders' funds of £107m (£62m), the group can claim to have won its five-year fight back from the brink.

For the first time since 1973-74, the question of a dividend arises again and the group's financial position is in marked contrast to the crisis days when the shares fell to 4½p from 227p, and chairman John Ritblat, who claims they were never worth less than 12p, told analysts shareholders that unless people decided to live and work in tents, British Land's assets would see it through.

So what now for the company which, through a series of sales and deals has raised £60m since last September and kept a fair proportion of it in cash? To suggestions that more acquisitions—including a big one—could be on the way, Mr. Ritblat says that it would be reasonable to expect further "amicable arrangements" but he is more forthcoming on the prospects for a new phase of development activity.

British Land owns several large development sites, on which construction could begin almost at once but, in Mr. Ritblat's words, the company is currently "wholly exercised with how best to finance new projects long-term."

The high cost of funding and its impact on the risk-reward ratio is, together with the uncertain economic outlook, a major preoccupation and constraint for the company at the moment.

The choice facing it over its long held Clapham Junction freehold site in south London is typical of the dilemma facing British Land. Plans entail the provision of some 200,000 sq ft of office space and the company is virtually ready to start work.

But says Mr. Ritblat: "If we put cash in we deny ourselves revenue and if we borrow we face fairly large exposure to very high interest rates."

British Land still has a £20,000 sq ft office project in Liverpool on the drawing board, while it is finishing off a couple of central London developments. It has about 90,000 sq ft of space coming on the market in Kensington and is also finishing another 40,000 sq ft in the Charing Cross Road.

A company which has been ploughing back a lot of its newly found cash into its own properties, British Land will within a year have also completely finished its modernisation at Plantation House, the City block bought in 1973 for £27m and revalued in the latest accounts at £74.5m.

## IN BRIEF

Equity and Law Life Assurance has paid more than £2m for the freehold of Wetherby town centre shopping scheme, which includes a 20,000 sq ft store, 14 shops and an office suite. Healey and Baker acted for the unnamed vendors.

Nottingham printers John Howitt have paid about £200,000 for a 3,000 sq ft office property at 17 Doughty Street, W.C1. Weatherall Greco and Smith acted for Howitt and Keith Cardale Groves represented vendors Post Office Insurance Society.

Merchant Navy Officers Peoson Food has paid more than £254,000 for 44 Charlotte Square, Edinburgh, the former Scottish headquarters of the Scout Association. Refurbishment will provide 3,000 sq ft of office space. St. Quintin acted for the firm and Kenneth Ryden for the association.

Dares Estates has paid £760,000 for a four-storey block of flats, next with vacant possession, in Montrose Place, Belgrave Square.

Crown House Properties has sold its recently completed 7,300 sq ft office scheme in Wembley to Swiss Life Insurance for about £900,000. Jones Lang Wootton acted for Swiss Life and Druce represented Crown House.

Special control on office development ends on Monday. From then, planning applications for development will no longer need to be supported by office development permits.

SOME OF the sharpest rises in office rents during the past 18 months have been achieved in the thriving market to the west of London—along a corridor stretching from Hammersmith to Harrow in the north west and to Guildford in the south west.

This market, in a region which takes in suburban centres like Slough, Reading, Hounslow, Maidenhead and Windsor, proved its resilience during the property crash but has moved ahead dramatically in the past 18 months, with office rents rising by as much as 50 per cent.

Average asking rents for top office space in the best locations are swiftly approaching £10 a sq ft—and higher in isolated cases. Earlier this year Banks Fovis McDougall agreed to pay £12.20 a sq ft for offices in Slough—essentially the highest rental yet achieved outside central London.

But the west London Corridor is much more than just an overspill area for the central London office market.

The key in this market's rapid growth over the past decade has been its position at the centre of national and international communication routes—with Heathrow acting as a magnet to overseas companies, particularly those involved in high technology and distribution.

Included among a string of international—mainly U.S.—names seeking office space in towns like Reading and Slough are General Automation,

## Decade of rapid growth

Digital Equipment, Visa International, Servier Laboratories, Millipore and Trevanol Laboratories.

More interestingly two American banks—Bank of America and Chemical Bank—are understood to be looking for premises in the area. Communication benefits do not end with Heathrow. A whole network of motorways criss-crosses the "corridor," linking the area with other regions. This situation will be further improved when the high-priority M25 motorway is completed, providing easier access to the South and the Channel ports.

The first signs of a drift outwards from the traditional London office centres of the City and West End were seen in the late 1950s and early 1970s when rents in central London were at their zenith.

Towns like Slough and Reading offered much cheaper rents and rates, a pleasant environment and ideally situated on main communication routes were a natural alternative for companies seeking office space outside London," says Stephen Webster of agents Debenham Tewson and Chinnocks.

Rental comparisons produced by agents Richard Ellis show that top rents of £3.50 a sq ft in Reading in 1974 compared with £16 a sq ft in the West End and £22 in the City.

More importantly towns like Reading could offer development opportunities when available office space, particularly

## Risk of collapse?

AS CONDITIONS in the property market, and in the economy generally, are in many respects similar to those before the last collapse the possibility of another catastrophe is considered by some to be more than an outside risk.

Sharply rising oil prices, a credit squeeze and high interest rates, rising inflation and the prospect of another recession are all ominously reminiscent of the early 1970s, although a closer examination of the property market shows a somewhat more encouraging picture than last time round.

There is no major surplus of speculative and poorly financed developments (more new projects are getting the go ahead in the face of increasing space shortages but few are contemplated without a customer) and most property companies now look a great deal healthier after reducing borrowings and building up cash resources.

As a result, the threat of forced sales or anything approaching a big scale can be regarded as minimal. There are grounds too for further encouragement because property investors have remained faithful to prime investment options as the latest round of capital appreciation has gathered pace, managing by and large to resist the temptation of higher yielding, secondary propositions.

Brokers Hoare Govett refuse to join the bears. They accept that the historically low prime yields and rapidly rising rents are likely to be hit by the impending recession and concede that property values are therefore considered suspect in some quarters.

But although they acknowledge the need for greater caution in all aspects of property investment (the firm expects the rise in rentals to moderate significantly and near-term capital appreciation to be limited), they reckon there is scope for a substantial moderation of rental growth before prevailing yields are threatened.

Capital values are expected to remain substantially intact though retailing and industrial markets could well be first to succumb to the recession.

The view from Hoare Govett is that a property market vacuum will not be created, the type of economic conditions which precipitated the collapse of rental and values.

In a report prepared for customers, it says: "Even in a phase of limited or zero-growth, most property companies are poised for a period of major reversionary led profits, earnings and dividend growth, which is likely to compare favourably with the trend of industrial corporate profits. Into the breach, it seems, will a handful of property shares."

01-930 9731

**CLIENTS WAREHOUSE REQUIREMENTS**

North West London..... 40,000-60,000 sq. ft.  
 West London..... 40,000 sq. ft.  
 Colchester..... 12,000 sq. ft.  
 Southampton..... 6,000 sq. ft.

**DRIVERS JONAS**  
 163-165, MILL LONDON SW1V 5NF

**INDUSTRIAL**

**Renfrew Scotland**  
 207,000 sqft industrial complex on 12 acre site. For sale freehold

**Riddings Derbyshire**  
 Junction 28 M1  
 3 Factory/Warehouse Units  
 6,500-26,000 sqft. To let

**Greenford Middlesex**  
 Warehouse/Factory Units.  
 To let 13,000-33,000 sqft under construction. Further units to be built  
 9,000-275,000 sqft

**Southwark Bridge SE1**  
 Basement store 2,990 sqft. To let

**HILLIER PARKER**  
 May & Rowden  
 77 Grosvenor Street, London W1A 2BT  
 Telephone: 01-629 7666  
 and City of London Edinburgh Paris Amsterdam Australia

By Order of Thamesdown Borough Council and Edwin H. Bradley & Sons Ltd.

**SWINDON**  
 WESTERN EXPANSION AREA

**SITE TO LET**  
 ON GROUND LEASE  
 FOR DISTRICT SHOPPING CENTRE

including  
**A MAJOR STORE**  
 WITH CAR PARKING, PETROL FILLING STATION AND OTHER COMMERCIAL USES

For details apply Ref. LAG/100

**Hillier Parker**  
 May & Rowden  
 77 Grosvenor Street, London W1A 2BT  
 Telephone: 01-629 7666  
 and City of London Edinburgh Paris Amsterdam Australia

**K for Industry**

**BEDFORD**  
 8,500 sq. ft.  
 New Warehouse/Factory Unit  
 TO LET

**EAST LONDON**  
 Factory  
 10,000 sq. ft.  
 TO LET

**HOCKLEY, ESSEX**  
 20,000 sq. ft.  
 Factory  
 TO LET

**LONDON, N11**  
 22,285 sq. ft.  
 New Factory unit  
 IMMEDIATE OCCUPATION — TO LET

**NORBURY (CROYDON)**  
 Single-storey Factory  
 31,000 sq. ft.  
 FOR SALE-FREEHOLD

**SOUTHAMPTON**  
 Warehouse  
 10,000 sq. ft.  
 UNDER CONSTRUCTION — TO LET

**SOUTHAMPTON**  
 Factory  
 24,000 sq. ft.  
 FOR SALE

**WEST LONDON (M4)**  
 New Factory  
 6,600 sq. ft.  
 TO LET

**King & Co**  
 Chartered Surveyors  
 1 Snow Hill, London, EC1  
 01-236 3000 Telex 885485  
 Manchester, Leeds and Brussels

**HERONS**

A HERON CORPORATION  
 OFFICE DEVELOPMENT  
**HERON HOUSE, FOREST HILL, SE23**

APPROX. 7,000 SQ. FT. TO BE LET

CENTRAL HEATING • SUSPENDED CEILINGS  
 CAR PARKING • IMPRESSIVE ENTRANCE HALL

**HAROLD WILLIAMS**  
 BENNETT AND PARTNERS  
 (Chartered Surveyors)  
 96 PARK LANE, CROYDON, SURREY  
 01-886 3141

**Edward Erdman**  
 6 GROSVENOR STREET,  
 LONDON W1A 2BA  
 Telephone: 01-629 8191  
 Telex: 28169

**WINDSOR/BERKSHIRE**  
 FACTORY/OFFICES TO LET  
 9,954 SQ. FT. APPROX.—READY LATE 1979

★ 2,000 sq. ft. approx. offices included ★ Excellent parking 19 cars/3 lorries  
 ★ Good loading/unloading facilities. ★ Attractive landscaped area  
 For full details apply sole agents:

**A.C. Frost Commercial**  
 Established 1906  
 2 High Street, Windsor, Berks. SL1 1LE. Tel: Windsor 54555.  
 18 Offices in 5 countries

**INTERNATIONAL PUELIC COMPANY**  
 urgently seeking  
**WORKSHOP**  
 MINIMUM 10,000 SQ. FT.  
 with good vehicular access and ample loading & parking area within triangle

**EALING WELWYN WINDSOR**  
 Details to retained surveyors  
 McGlashan & Co.  
 503, High Road, Wembley, Middlesex. HA0 2DL. Tel: 01-902 3017

A Frantborne Development  
**BERMONDSEY TRADING ESTATE**  
 Rotherhithe New Road, SE16

New S/S Warehouse/Factories to be let  
 From 1,383 sq. ft. and 4,377 to 120,000 sq. ft. (in multiples)

• PRIME DISTRIBUTION LOCATION  
 • HEATING  
 • LIGHTING POINTS  
 • 3 PHASE POWER  
 • 24 HOUR SECURITY

**GRANT PARTNERS**  
 50 Mount Street  
 London, W1V 5BE  
 Telephone: 01-629 8501  
 Telex: 298943

**BILSTON WOLVERHAMPTON**  
 Fronting A41  
 100,000 sq. ft. in new units from 5,000 sq. ft. upwards to lease.

**RICHARDSON DEVELOPMENTS**  
 021-544 7111

FOR SALE BY AUCTION  
 on 3rd October, 1979

**HOMER CLOSE, GOSPORT, HAMPSHIRE**  
 62 Flats and Mansions with Vacant Possession  
 For further details apply Joint Auctioneers:

**VAIL**  
 Chartered Surveyors  
 4, High Street, Gosport,  
 Tel: 682114.

**Fairhall & Durston**  
 Chartered Surveyors  
 133, High Street, Gosport,  
 Tel: 682614.

**Lincoln House, WC1**  
 Refurbished office to let.

**Adelaide House, EC4**  
 Air conditioned office unit.

**Blossom Street, E1**  
 New air conditioned development of 20,000 sq. ft. (approx.)

**Stakehill Industrial Estate, Middleton, Manchester**  
 Phase 1, units of 5,000 sq. ft. available.

Chartered Surveyors with the right properties.

**St Quintin**  
 CHARTERED SURVEYORS

St. Quintin, Park Place, Leeds, LS1 2RU. Tel: 0532-460235.  
 St. Quintin S.A., Rue Joseph II, 30-38, 1040 Brussels.  
 Tel: 010-322-219-32-88. Telex: 61182.

**Vintry House, Queen Street Place, London EC4R 1ES. Telex: 8812619.**  
**Tel: 01-236 4040.**

هكذا من العمل

مكنا من الأجر

# Sutton, Surrey

Well Sited Modern Office Building Available Immediately

## 37,500 sq.ft. To Let

Realistic Rent and Rates at approx. Half The West End Levels  
High Street Location, Close to Station.

### 25 Minutes to Victoria

Private Parking for 85 cars. Multi-storey car park opposite. Fully carpeted, window blinds and fitted lighting, large prestige entrance hall, storage facilities, centrally heated.

## Jones Lang Wootton

Chartered Surveyors  
103 Court Street London W1W 6TS 01-493 6040

## Factories and warehouses

3,000 to 40,000 sq. ft.,  
from £1.25 sq. ft.

### Sites up to 50 acres

Skilled labour available  
Housing for new and existing staff

## Ring Bob Tilmouth

0952 613131

# Telford

Telford Development Corporation, Priorslee Hall, Telford, Salop TF2 9NT

# Chestertons

Provincial Offices

9 Wood Street, Cheapside, London, EC2V 7AR  
01-606 3055

### 9,600 Sq. Ft. approx.

Excellent modern office accommodation  
46/50 Coombe Road, New Malden, Surrey.

- \* immediately available
- \* by New Malden Station - 20 mins. Waterloo
- \* close to A3
- \* rent £5.73 per sq. ft.
- \* lease until 1986 without review
- \* 16 private car spaces
- \* no local user restrictions

For full details and to view  
Apply

Chestertons, Chartered Surveyors. For all your property needs

## Office Sites

### Peterborough

Ring John Case 0733 68931

## PRESTIGE OFFICES TO LET

within 20 yards of Bank of England  
1120 sq. ft.  
Short-term lease available  
**HENRY DAVIS & Co.**  
Tel.: 01-626 8944

### FREEHOLD OFFICE INVESTMENT

ROYAL BOROUGH OF WINDSOR & MAIDENHEAD

- \* £150,000 p.a. net income
- \* Famous Public Company Tenant
- \* New Lease
- \* High specification, modern building
- \* Inspection/Offers invited by Sole Agents

**TAYLOR ROSE**  
27 Albemarle Street  
London W1X 3FA  
01-492 1607

### LEYTONSTONE, E11

Freehold three-storey mixed-use building, formerly bank branch on ground floor. Suitable offices, showrooms or retail. 35 ft. frontage. Self-contained 1st and 2nd floors, ideal work-rooms, offices, design studio, etc. Total area of entire 4,150 sq. ft. Offers in the region of £50,000. Sole agents: Goldenrod Leigh & Assoc., 15, Hall Moon St., W.1., 01-629 6375

## STOURBRIDGE, WEST MIDLANDS

### Factory & storage yards

Floor area 46,500 sq. ft.

Single storey bays with maximum 35 ft. working height and 25 ton crane facility. Close main A491 Dudley Road.

## Grimley & son

CHARTERED SURVEYORS  
2 St Philip's Place Birmingham B3 2QJ  
021-236 8236  
London Manchester Brussels

## WE'VE GROWN TOO LARGE FOR THIS SPACE!

As one of London's leading design groups, with clients including:  
Associated Biscuits - Bejam  
British Transport Hotels  
Cancer Relief - EMI - GLC Docklands  
ICL - John Menzies - Philips - Time Life  
Trust Houses Forte,  
we are now looking for 10,000 + sq. ft. studio/light industrial space in the W.1. area.

Stewart McCol Design associates  
110, Marylebone High Street,  
London W.1. M-466 2111

Contact either Stewart McCol Design Associates or sole agents, Herring Son & Daw, 01-734 8155

## CHARLES PRICE & CO

### MAYFAIR OFFICES

To Let 4,000 sq. ft.  
All Amenities - Self Contained

No.1 Berkeley Square, London W.1. Tel: 207383  
01-493 2222 (24 hrs.) 491 3304

## AUDREY HOUSE

Ely Place, London EC1  
46,000sq. ft. of  
Air-conditioned Offices To Let

Sole Agents  
Richard Ellis, Chartered Surveyors  
64 Colnhill, London EC3V 3PS. Telephone: 01-283 3090

Richard Ellis

TWO OF THE MOST SUPREME OFFICE SUITES AVAILABLE:

**82 BROOK STREET, W1**  
3,000 sq. ft. approx.

**2 CORNWALL TERRACE, NW1**  
(Overlooking Regent's Park) 2,200/4,600 sq. ft. approx.

Apply **PILCHER HERSHMAN** Sole Agents  
23 Welbeck Street, W.1. 01-486 6256

## INTERNATIONAL PROPERTY

FOR SALE

### SMALL HOTEL IN WEST ALGARVE

£150,000

Magnificent Portuguese Estate House built at the turn of the century standing in 2 1/2 acres. Presently, a family-owned guest house with a flourishing restaurant. Sleeps sixteen guests and six in the open-plan family apartment. Recently converted with water and electricity. Tremendous potential for development in the most attractive area of the Algarve. For further details call Susan Locke, weekdays after 7 pm. 01-351 3774, or write: John Vincent, Casa Grande, Burgau, Lagos, W. Algarve, Portugal.

### NEW YORK-USA

TO LET - 20,000 sq. ft. Will divide. Westbury, Long Island, Suburban New York City area. Ready to occupy 1 Sept., 1979

Architecturally distinguished new two storey office building located on prestigious Long Island, only 5 miles from New York City (via Superior) located on 3 acre site overlooking 800 acre golf course and golf courses. Nearby express train station and motorway to Manhattan. Under 20 miles by motorway to JFK Int'l and two domestic airports. This building has within a 10 mile radius probably the best available labor pool in the U.S.A.

Complete service rental \$12.00 per sq. foot. Tenant layout to suit. For information contact Robert Singer Products Co. Inc., New York, N.Y. 10646 RCA Tel: 212-208-1111 FAX 212-208-1111

## CALIFORNIA REAL ESTATE Opportunity

Mr. Sheldon Allman will be in London August 12th through August 16th with a portfolio of California Real Estate Investments for joint venture participation, \$50,000 to \$2,000,000.

For appointment cable ALLMAN or call Los Angeles, California, U.S.A. (213) 876-1436.

### TEXAS

3,240 acre ranch approx. 80m south of Fort Worth. Substantial improvements, lake, 1 1/2 miles river frontage. 1 car, 2nd water supply, 608 acres cultivated, 430 acres improved pasture, 2,200 acres range land (fenced). Excellent hunting (deer, turkey, small game) and fishing. 2 houses, various outbuildings, corrals, etc. All in good order. Offered at \$15450 per acre, freehold. Title available. Management available.

Details: Davies, Stirling & Co. Ltd., 54 South Molton Street, London, W.1 Tel: 01-629 9897. Telex 88970

### SPANISH PROPERTY HIGH-YIELDING WELL-SECURED PROPERTY INVESTMENT FOR SALE

Initial return 12.5% rising annually by not less than 10%. £1.2m or equivalent in any currency. Contracts must be finalised by 13.9.79. For further details write Box 75115, Financial Times, 10, Cannon Street, EC4P 4BY.

UNREPEATABLE OFFER. 120 Acres Freehold, plus 12 acres Fresh Water. 6 km approx. 30 mins. to airport. Standing timber value £20,000. Permission to build 100000 sq. ft. health farm with necessary services. 40 acres can be used for horse building. Scene and tranquil area. Interest only from 500 investors. Price of Land Freehold £30,000. Write Box 75120, Financial Times, 10, Cannon Street, EC4P 4BY.

BAVARIAN ALPS, near Munich. Wonderful old residence for sale. Completely renovated with large estate. Price: DM 5.1m. Architecture-office, M. Sommerhaider, Holbeinstrasse 71, CH-4051 Basle.

## APPOINTMENTS

### Executive Director

MAIN BOARD

for a British public company, a substantial engineering group with profits approaching £15m having significant interests both in the United Kingdom and North America.

- CORPORATE responsibility and involvement will be both in the business overall and from time to time in particular trading activities as priorities demand.

- OVERRIDING requirements for this key appointment are business acumen and the ability to create profit in the management of people and situations. These attributes will have been substantiated in the direction and general management of a successful subsidiary company or in a top management functional role in a large industrial group. A degree in engineering and experience of marketing and/or production of a diverse range of mechanical and electrical/electronic engineering products would be assets.

- QUALITY of personal accomplishment and stature is more important than age.

- TERMS are negotiable and could be attractive to candidates earning basic salaries of around £30,000 or more.

Those to whom this appointment is of interest are invited to write in complete confidence to K. R. C. Slater as adviser to the company.

## TYZACK & PARTNERS LTD

MANAGEMENT CONSULTANTS  
10 HALLAM STREET LONDON W1N 6DJ  
12 CHARLOTTE SQUARE and EDINBURGH EH2 4DN

## Crude Oil Trader

Sought by an established European oil trading company wishing to open an office in London.

- THE ROLE will be to generate new business in crude oil and to manage the trading and related shipping activities under guidance from the principals.

- ESSENTIAL REQUIREMENTS are successful practical experience of crude oil trading backed by current knowledge of the documentary procedures related to this activity. Fluency in English is imperative.

- AGE RANGE 32-42. Salary indicator £20,000 plus benefits.

Write in complete confidence to D. A. O. Davies as adviser to the company.

## TYZACK & PARTNERS LTD

MANAGEMENT CONSULTANTS  
10 HALLAM STREET LONDON W1N 6DJ  
12 CHARLOTTE SQUARE and EDINBURGH EH2 4DN

## Director Technical Services

for a company with the world rights for the exploitation of a patented process for the chemical treatment of toxic industrial waste. Forming part of a very well known British public group there is ample finance available to exploit fully the present technological lead and achieve the undoubted growth opportunity throughout the world.

- AS A BOARD MEMBER the task will be to participate in all technical aspects of project evaluation and in the establishment and maintenance of operating procedures and technical standards initially in European subsidiaries and subsequently elsewhere abroad. Based in London the job will entail frequent foreign travel.

- PREREQUISITES for this appointment are a technical chemical qualification, linguistic ability preferably in French and German and a substantial record of technical and managerial achievement in industry.

- AGE under 50. Salary is negotiable with appropriate benefits.

Write in complete confidence to A. Barker as adviser to the company.

## TYZACK & PARTNERS LTD

MANAGEMENT CONSULTANTS  
10 HALLAM STREET LONDON W1N 6DJ  
12 CHARLOTTE SQUARE and EDINBURGH EH2 4DN



THE ARTS

Lion of the avant garde

by NIGEL ANDREWS

Olivier

As You Like It

by B. A. YOUNG

In the middle of Act 3, Scene 1, which is the point at which John Dexter's new production resumes after the interval, an extraordinary thing happens. A sudden charge of magic descends to the stage; the characters all come in life; the pace quickens; and the pretty artificialities of the production reveal their true meaning.

heavily accoutred in Elizabethan costume, and they match one another's movements with complete symmetry. First Touchstone, then La Beau, comes centrally between them; conversation is often directed straight into the house. Neither Sara Kestelman (Rosalind) nor Marjorie Yates (Celia) is able to make the merry exchanges anything but tedious in the circumstances.

blessing, for Michael Bryant is able to keep the slow pace without sounding artificial, and when he reports to the exiled Duke (Andrew Crichton) that he met a fool in the forest, we have taken a giant stride towards normality.

Yet normally is not what Mr. Dexter seems to be aiming at. After the interval the characters achieve human behaviour as Shakespeare drew it. Miss Kestelman becomes a marvelously boyish and funny Gany-mede (though I can't help wondering how she keeps her doublet and hose so clean and tidy). Simon Callow's Orlando really is a young man in love, and he speaks the verse to perfection. Miss Yates offers the romance the audience requires. Even John Normington's Touchstone, who has begun as a conventional jester, casts off his pretences as he courts his Phebe.



Greg Hicks, Sara Kestelman and Aomi Carter.

Nevertheless we are plunging deeper and deeper into fairy land all the time. The song about killing the deer is followed by a dance where all the men don sotted head-dress (just as "Blow, blow, thou winter wind" was followed by a chorus of men waving holly houghs); and their horned heads are liable to show up around the stage for ever after. When William comes to court his Audrey, he is still wearing his horns, and after he leaves the scene he sits on the steps that lead to the centre aisle of the auditorium, where Rosalind casually feasts him with the long wreath of flowers with which she and Celia have been decking the stage.

The multiple wedding of the country copulatives brings all the creatures out of the wood. Not only do the deer-headed creatures lurk in the shrubbery, but hoars, badgers, even what looked to me like a kudu. And there is no judging of Hymen who appears high up in the sky to speak, nor sing, his lines about mirth in heaven. I doubt, incidentally, if he is to be seen by all the audience, for a tree that grew out of the stage after the interval has by then sprouted a great umbrella of green leaves right in front of him.

By the end of the evening, when the grand design was realised, I understood the ponderous pace and stylised playing, at the start. I think the production needs seeing twice. That should mean at least one and two-thirds evenings of great pleasure.

Architecture

Glasgow School of Art

by GILLIAN DARLEY

This country cannot boast of many pilgrimage points on the international architectural itinerary. Without doubt, however, Charles Rennie Mackintosh's School of Art in Glasgow is one such, among the few early 20th-century contributions that Britain can offer.

Built between 1897 and 1904 the Glasgow School of Art is really two buildings — the design that was Mackintosh's original intention, and the later wing that magnificently exploits its site, a steep ridge, which drops dramatically to give one of that city's characteristic switch-back streets.

beams the sun back into the studio windows, eliminating the balanced natural light source so effectively marshalled in the design. Visitors are assured of guided tours, Monday to Friday, 10 am to 12 noon and 2 pm to 4 pm. On arrival (at the prescribed hour) the visitor meets with obstruction and a wall of indifference from the staff responsible, the maintenance staff of the building. Only enormous obstinacy produces the promised "tour."

Mackintosh's building is one of those rare expressions of creative genius that do not depend on other models nor give easy clues as to their genesis. It was as unlikely an architect to spring from late 19th-century mercantile Glasgow as Turner had been from earlier 19th-century London. Although there is an element of the Scottish vernacular in the School of Art, the four functionalism has been transformed. That very raw material helped to give rise to, for example, the strange verticals of the later library block, which seems to have been poured over the rim of the hill-top.

This is a building to be proud of. Yet Glasgow has not done too well by it. It is surrounded by inferior building, some very recent, and too tower block

The whole show has a tendency to melodramatic coarseness, especially so in the playing of Julian Glover as Claudius. Other cast changes for the better include Brenda Bonfante as Gertrude, a brittle and confused Queen delivered with panache; and Robert Eddison, forsaking the double of Ghost and Player King for a truly original read-

The library interior

Cinema

Marcel L'Herbier, Image-Maker National Film Theatre Beyond the Poseidon Adventure (A) Warner West End Boulevard Nights (X) Gate 2

Germany and Russia always steal the limelight in film history books when the 1920s are under discussion. It was the decade of Nosferatu and Metropolis, Entrée des Femmes and Octobre. But France had its movie prodigies as well during the period, and near the top of the pile was Marcel L'Herbier. To this surreal magician of the French cinema, long overdue for celebration, the National Film Theatre is devoting a sumptuous retrospective.

L'Herbier's reputation precedes his films and many of them are as unfamiliar to me as to you: except from mouth-watering excerpts, totalising production stills and the vivid descriptions of writers. L'Herbier's lack of exposure outside France is puzzling, since he was a lion of the artistic avant garde in between-wars France and worked with such glittering allies as designers Fernand Léger and Cavalcanti, composers Honegger and Milhaud, and players Michel Simon, Charles Boyer, Ramon Navarro and Louis Jourdan.

As a fanfare to the season the NFT Press-screened L'Inhumaine (1924), which you will be able to see at 7.00 this Sunday. Cancel all other engagements. This maniacally-plotted masterpiece about a famous opera singer whose "mysterious charms" lure men to destruction, but who meets her match in a love-track and brilliant young scientist, was designed by no less than four art directors — including Léger, who contributed the ne plus ultra in futuristic laboratories — and is directed by L'Herbier like a dazzling dream-mosaic.

The story is an unstoppable romp through improbability — the scientist hero is first spurned by the singer, then "dies" in a car accident, then reappears to shame his beloved and win her over with the wonders of his new scientific invention (which looks curiously like an early prototype of television). The film takes on a sort of cumulative poetic delirium. From the opening splendours of a party at the diva's mansion — an Art-Deco San Simeone with moated, diamond-encrusted, sliding swans and masked servants — L'Herbier goes on to take in such resplendently varied set-pieces as a Gala Night at the opera, a taxi-ride with a poisonous snake (courtesy of a jealous Maharajah) and the Grand Finale in the hero's Léger-designed laboratory: a wild mish-mash of Art Deco and 1920s Futurism in which the hero and heroine pursue each other down the corridors and blind alleys of L'Amour fou.

L'Herbier's cutting and framing have a slight-of-hand brilliance that keeps one in a

state of constant, edge-of-seat surprise. Sometimes the screen is crowded and criss-crossed with movement, at others L'Herbier will make play with a tantalising blankness or an eerie darkness. The 1920s style of silent-movie acting — huge eye movements, hands to foreheads, flouncing turns — becomes a virtue rather than a handicap in this world of ritualised, hotheuse hyperbole. Add the cheerful clash of designing styles creates a fertile, witty randomness rather like those best middle-class games of visual consequences.

L'Inhumaine offers a cornucopia of visual ingenuity that more than compensates for any misgivings about the film's lack of unity. Other, later L'Herbier films mix visual invention with a greater degree of narrative order — La Tragédie Impériale, Entrée des Femmes, La Comédie du Bonheur — and if these are more to your taste you can catch them at the NFT. The season spans 25 years (1918 to 1942) and includes 16 features.

"Ah, Captain Mabyke Carter," says Michael Caine, introducing himself in Beyond the Poseidon Adventure: the cockney captain of an ocean-going tugboat which stumbles in mid-Atlantic upon the protruding bottom of the upturned passenger liner Poseidon — only hours after it has capsized. Mr. Caine decides to venture inside it to find such valuable cargo as he can lay salvage rights to: or, as he more simply puts it, "A quick trip daho to the purser's office to get the money and gold."

Helping him are his grizzled tug-hand Karl Malden and the pert, pretty brunette they picked up in Marseille, Sally Field. Hindering them is a party of pseudo-medical officers who arrive — to cope with survivors, they say — in a spotless white launch led by the spottily bald and menacing Telly Savalas.

The film is, of course, a sequel to The Poseidon Adventure, in which a luxury liner, you will remember, turned upside down and caused much all-star panic, injury and loss of life. Groping along the ceiling were such as Shelley Winters, Gene Hackman and Stella Stevens; and groping similarly here are Caine and Co. Chandeliers rise up skyward and bar counters loom down from the floor-turned-ceiling.

Producer-director Irwin Allen, who made The Poseidon Adventure and has since assaulted us with The Towering Inferno and The Swarm, is in charge again here, guiding the Caine trio through a convenient hole in the ship's bottom ("Oh, the French coast guards must've cut this 'ole") on through the engine-room and galley, on to the hopped-for safe full of gold coins, on to a showdown with Savalas and his thugs (who are after the ship's cargo of Plutonium), and finally on to an "Ow-Do-We-Get-Out-Of-Here" return journey up to the bottom.

Various passengers not dealt with by the earlier film stowhble into view and join the Caine patrol. Shirley Knight opens a cabin door behind someone's



Philippe Heriat in 'L'Inhumaine'

back, taps him on the shoulder, gives him a moment of understandable heart failure and then says "Oh, I'm terribly sorry." Then she introduces her older husband (Jack Warden) who is of course — to ensure that the patrol's progress does not become too simple and easy — blind. Met later or earlier in the film's 113 minutes are a Texan "millionaire" (Slim Pickens), the father of a missing daughter (Peter Boyle), the ship's nurse (Shirley Jones), the missing daughter, and the missing daughter's boy friend.

Occasionally the dying Poseidon emits a great belch of fire through its upside-down funnel, causing the ship to lurch violently. Occasionally a large piece of scenery is persuaded to tumble down, narrowly missing all the cast. Occasionally Karl Malden, who is dylog of a mysterious Hollywood disease, clasps his chest and sits down breathing heavily in a corner of the ceiling. And occasionally Michael Caine rallies everyone with a cry of "Down! panic, everyone."

This extraordinary movie from the rag-end of the disaster cycle boasts hardly a moment of redeeming suspense or eye-catching spectacle; and the humour is exclusively unintentional. After this production and its equally abject predecessor The Swarm, Allen owes us a disaster film worthy of the name. Perhaps his next project will provide it — it's called, promisingly and all-encompassingly, The Day The World Ended.

Boulevard Nights is one of those Hollywood hybrids that

seem so eager to crossbreed and cash-in on current trends that they lose any sense of individual identity. If you could imagine an Wash American Graffiti and Warriors meeting in three-way collision you would have some idea of the pile-up of influences that form this tale of Chicago street gangs in the so-dit-amt slums of East Los Angeles.

"Slums" hardly seems the word for the elegant hills of the burrio area; and one problem with the film is that this tale of job desperation, street violence and gang vendettas — though with authenticity since the film was shot on location with an almost wholly non-professional cast — sits oddly and unconvincingly among the cool, wood-frame suburban houses.

The central tale of two brothers and their ill-fated divergent life-styles tone is smart, good-looking and a horn leader, the other weak, hollow-headed and a horn victim; ends none of them.

in a compellingly violent climax, it drags its heels en route rather like a '50s Elia Kazan social-problem movie. The good brother (Richard Yungue) is too good to be true, or at any rate interesting. The younger brother (Danny de la Puz) by contrast, is a sort of invertebrate version of James Dean, drooping into a sullen but curiously charming rebelliousness. There is also an insipidly sweet girl — betrothed to the good brother — whose saccharine presence keeps slowing the film to a standstill.

Director Michael Pressman squeezes some comic-exotic moments from the scenes of youths parading their cars down Whittier Boulevard or demonstrating their vehicles' startling powers of hydraulic levitation; rearing up on front wheels like bucking broncos. But the film ticks too hard to cater to too many box-office trends, and it ends up satisfying none of them.

COMPANY NOTICES
FREE STATE DEVELOPMENT AND INVESTMENT CORPORATION LIMITED
NOTICE TO MEMBERS
ANNUAL GENERAL MEETING
NOTICE IS HEREBY GIVEN that the Thirty-fifth Annual General Meeting of members of Free State Development and Investment Corporation Limited will be held in the Board Room, Consolidated Buildings, Corner of Fox and Harrison Streets, on Wednesday, 29th August, 1979 at 10.00 a.m. for the following purposes:

Albert Hall/Radio 3

Holmboe, Sibelius

by MAX LOPPERS

The British premiere at the Proms on Wednesday of the Cello Concerto (1875) by Vagn Holmboe was at the same time a gesture of respect towards the senior figure of Danish music rarely performed in this country. The work swiftly revealed its character. A sober character: Holmboe's music avoids here any kind of superficial attraction, in the form of aural titillations, experiments with tone colour, easily extraneous late concepts or images. The concern is with musical ideas, their laying out, development, and conclusion; and the sound of the piece is a lean gathering of functional sonorities through which the cellist easily emerges as vigorous mouthpiece of the

argument. No concession is made to the listener, who is neither scared away by egregious outbursts of violence nor wooed by overtures of friendship. The music seems at times to pursue its course almost as though the presence of any listening ear was of no real importance. My own response to the concerto was at once admiring and deeply unsympathetic. The former, because of the clear and conscientious way of placing the notes, the diligence of the discourse, the seriousness of the themes proposed and of their manner of development. And the latter, because of the undifferentiated mildness of idiom, vaguely Northern pastoral-pentatonic, which seems to bathe

everything in grey and dull pastels. Perhaps Holmboe required stronger advocacy from the Bournemouth Symphony Orchestra under Paavo Berglund, though the intense commitment of the soloist, Erling Blomdal Bengtsson (also the work's dedicatee), was not in question. Doubt had to be raised about the orchestral degree of involvement after the opening performance of the Sibelius Third Symphony — unwontedly lax and complacent in Berglund's treatment. Sibelius's C major, at beginning and end, is a more thrilling, elemental sound than the courteous but uncommitted Bournemouth playing would have one believe on this occasion.

Old Vic

Hamlet by MICHAEL COVENEY

Prospect Theatre is now the Old Vic Company and Toby Robertson's servicable production, first seen at the 1977 Edinburgh Festival, bows again for 15 performances before embarking on a tour of Elinore, China, Swindon and Newcastle. Derek Jacobi is still the Prince, sickly, neurotic and quicksilver. "To be or not to be" is still addressed to Jane Wymark's affecting Ophelia, eliding well with the following scene of disguised rejection.

ing of Polonius. Mr. Eddison's scene with Barrie Rutter's Reynaldo, in which he sets a trail on Laertes, struck me as almost the freshest of the evening. Not even the mistaken assertion that "the apparel oft becomes the man" could diminish the effect of this suave blunderer getting his just deserts. The dumb show, like some animated Chaucerian tapestry, has a resonant beauty, and Donald Fraser's music, full of confident caesuras and brass cadences, is as powerful as ever. Mr. Jacobi's is not a Hamlet that will live with me as long as David Warner's or Ben Kingsley's, but it will no doubt please many, as will a production that relies more on traditional virtues than on blinding inspiration for its impact.

Middleton papers for Maritime Museum
The National Maritime Museum at Greenwich has acquired the papers of Charles Middleton, First Baron Barham (1726-1813), whose importance in the history of Naval administration is second only to that of Samuel Pepys and George, Lord Anson. The collection of about 2,500 items in 23 boxes, includes cor-

LEGAL NOTICES
IN THE MATTER OF ADAM HUDSON (MANUFACTURING) AND IN THE MATTER OF THE COMPANIES ACT 1948
NOTICE IS HEREBY GIVEN that the creditors of the above-named Company, which is being voluntarily wound up, are required, on or before the 28th day of August, 1979, to send in their full Christian and surnames, their addresses and descriptions, full particulars of their debts or claims, and the names and addresses of their Solicitors (if any) to the undersigned...

# Mr. Carter's new dilemma: the Chrysler crisis

By JOHN WYLES in New York

## Coal must pay its way

Despite the National Coal Board's loss of £19.4m, announced yesterday, Britain's coal industry appears to be feeling decidedly smug. The National Union of Mineworkers has been so impressed by the latest round of OPEC-inspired energy price rises that it has demanded pay increases of up to 65 per cent from November. Sir Derek Ezra has proclaimed proudly that this year's operating profit, before interest, has been higher than last year's, but has failed to draw attention to the £30m increase in Government grants that accounts for this, or to the fact that the success of open-cast mining disguises a massive and rapidly growing loss in the deep mines.

**A convert**  
The Government, too, has become a convert to the cause of coal. It seems likely that it will play the good fairy and grant the industry three wishes. The NCB's finances are likely to be restructured, with public dividend capital realising a large proportion of debt. At a stroke much of the NCB's £138m interest burden will vanish. The liability for increases in pensions granted to miners in 1973 may be shifted wholly onto the Government, saving the NCB £30m a year. Major improvements in redundancy and relocation payments, again financed by the Government, appear also to be on the cards.

Clearly much has changed since the 1960s, when one of Britain's most pressing social and economic problems seemed to be the need to run down the coal industry as humbly, but as rapidly, as possible. Since 1970, investment in new coal mines has multiplied thirty-fold, miners' real wages have soared, profits from open-cast mining have quintupled and the industry's turnover has trebled. But the most important indicator—output per man-shift—remained almost exactly constant.

**Energy problem**  
The energy problems of the 1970s have been a godsend to coal-mining and there is now no question that Britain must develop fully what it has its most important long-term natural resource. But the coal industry's future prosperously is not automatically assured by the fact that energy prices are rising. It depends solely on the ability

## Italy seeks a Government

In the past two months three distinguished men have tried to form a new Italian Government, and failed. A fourth is about to try his hand. The country's President, Signor Sandro Pertini, having initially attempted more overtly political solutions to the crisis, is now looking for what has become known as a "Trust" Government to tide the country over until the smoke generated by the warring political factions has cleared. The onus for any durable Government to emerge from the present deadlock are by no means good.

**Impasse**  
Throughout a political crisis that is now effectively seven months old, the country has been kept running. The economy, guided by the Bank of Italy, has even performed with a considerable degree of success. The lira is strong and the balance of payments in comfortable surplus. But the political impasse has reached what is a new low ebb by Italian standards and serious questions are now being asked about the country's governability under the present constitutional and political system.

The Christian Democrats, still the country's largest party with 35 per cent of the vote in the June elections, are deeply split. They have lacked effective leadership ever since the kidnapping of their former premier, Signor Aldo Moro 18 months ago. Rarely has the jockeying for power, both within the Christian Democrat Party and between it and the small Socialist Party, been more apparent than in the past few weeks. The issue has largely been one of personalities. What has been at stake has not been the policy programme of the new Government but the identity of the Prime Minister, and the implications for the future balance of political power in Rome.

The Communists, the second largest party, have been staying on the sidelines. They are unlikely for the time being at any rate, in case their uncompromising attitude to the nomination of a new Government, which triggered the present crisis last January. So long as they are not offered full participation in a new Cabinet, they

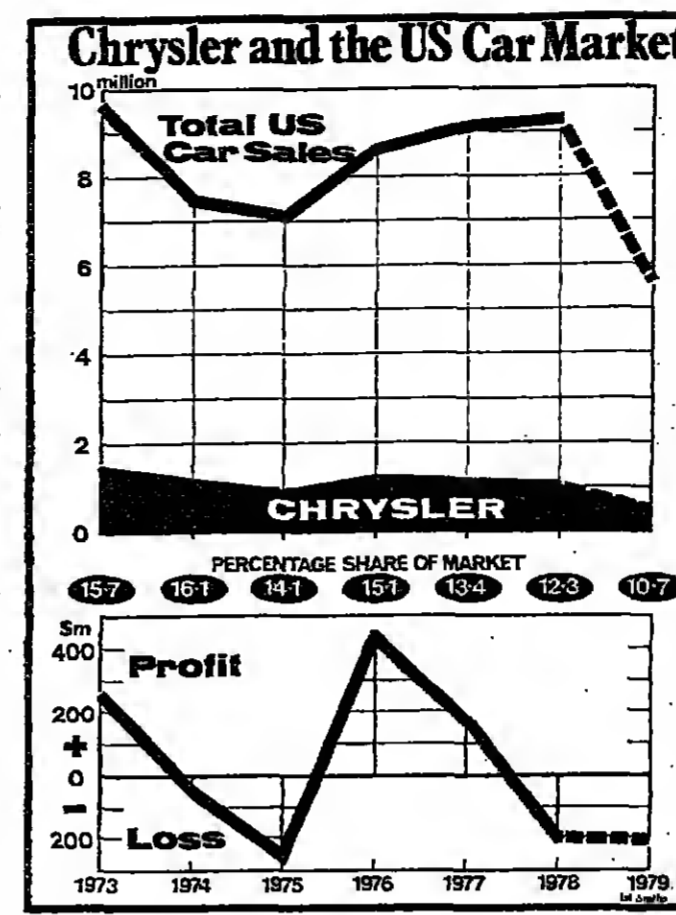
CONCERN about the survival prospects of the Chrysler Corporation has become a marked and repetitive feature of recessions in the U.S. In 1969-70 and again in 1974-75, Chrysler's evident difficulties in selling its products and funding its capital requirements prompted much anxious speculation about the future of the country's third largest automobile manufacturer.

With recession now an official Government forecast, the difference this time is that Chrysler has never been as financially and industrially weak in advance of an economic slowdown and that the speculation of the past three months that the company was facing another "crunch" has now become fact.

Effective confirmation of the company's crisis was given on Tuesday afternoon at a crowded Press conference in Detroit when Mr. John J. Iacocca, Chrysler's chairman, informed a hushed gaggle of 60 or more journalists that the company in effect wanted a \$1bn loan from the federal Government. He preferred to talk of "accelerated tax credit" but his message was clear: after losing \$360m in the first six months of the year and in the face of full year losses of between \$500m and \$600m, Chrysler looks unlikely to be able to finance model development and production programmes needed to maintain the company as a "full-line" competitor in the automobile industry.

It was enough to set alarm bells ringing in Washington where the U.S. Treasury expressed its concern about Chrysler's financial condition and the outlook for its 250,000 employees. It promised to expedite its consideration of Chrysler's request for financial aid and relief from implementing new exhaust emission standards. Senator Russell Long, chairman of the Senate Finance Committee, joined him in saying that without federal help Chrysler looked likely to fail.

There is now plenty of support for this view among Wall Street auto analysts. "As far as we are concerned it is now virtually impossible for Chrysler to make it on its own," said one leading analyst yesterday. "With capital spending needs of \$800m this year and next and losses of around \$600m next and after, Chrysler needs \$1.4bn of capital a year, to maintain operations. There is nobody but the Government to provide it." He added: "This faces the Carter Administration and the Congress with an unprecedented dilemma. The only comparable dilemma was posed by the Lockheed Corporation in 1971. But the sums of money involved then were much smaller and only federal loan guarantees were sought by the company. U.S. Governments have never regarded it as their business to bail out 'lame ducks' (viz the spectacular collapse of Penn Central in 1970). But with recession now looming will President Carter want to be held respon-



two years' difficulty in selling new cars. They are much more fundamental and stem from the fact that Chrysler management has never succeeded in establishing the company either as a secure and profitable "No. 3" in a market largely dominated by two other companies or even as a credible challenger to its two rivals. Having been "No. 2" to GM in the early 1950s, Chrysler management seemed until 1976 reluctant to accept a lesser status but at the same time lacked the ability and resources to lift the company up by its bootstraps.

**Dubious assets**  
Under the leadership of Mr. Lynn A. Townsend Chrysler, between 1961 and 1975, opted for vainglorious attempts to rival GM and Ford overseas by acquiring dubious assets such as Rootes in the UK and a lesser extent, Simca in France. At the same time Chrysler was displaying less and less sensitivity to its U.S. market. Part of the reason undoubtedly lay in the fact that Chrysler, unlike the old BMC, traditionally had elevated the engineer to a godlike status and engineer-ism to the pinnacle of its marketing efforts.

A reputation for sound engineering is not undesirable because it implies sound quality. But it has proved an increasingly flimsy base upon which to build a company and a marketing strategy when there have been few comparable priorities attached to styling or even to

ground the following year with the help of a redesigned line of compact cars (intermediate size in Europe), great damage had been suffered. When the decision to develop a subcompact was belatedly taken in 1976, Chrysler's finances were gravely weakened by the recession, made what was in effect the wrong strategic decision and decided against supplying its own engines. It opted instead for a purchasing agreement with Volkswagen for which it is now paying a hefty price.

Since the onset of the petrol crisis in May, the shortage of engines has become costly and painful and has forced Chrysler dealers to turn away thousands of potential Omni/Horizon customers from showrooms which are bursting at the seams with medium and full sized cars which the company can build in abundance but which precious few customers appear to want.

The last recession not only rocked the company's finances because of unprecedentedly large losses—which may have been too modest in comparison with this year and next—but it also very nearly disembowelled Chrysler. The twilight months of the Townsend regime were characterised by drastic cuts in spending, especially on forward model programmes, and by a harsh permanent reduction of about 15,000 or around 25 per cent in white collar employment.

Engineering and design staffs fell under the axe with apparently severe consequences. "Since that time, Chrysler's new model introductions have consistently been a day late and a dollar short," plagued by delays and launch and quality problems," says Mr. David Healy, auto analyst with Drexel Burnham Lambert. "The twilight months of the Townsend regime were characterised by drastic cuts in spending, especially on forward model programmes, and by a harsh permanent reduction of about 15,000 or around 25 per cent in white collar employment."

Engineering and design staffs fell under the axe with apparently severe consequences. "Since that time, Chrysler's new model introductions have consistently been a day late and a dollar short," plagued by delays and launch and quality problems," says Mr. David Healy, auto analyst with Drexel Burnham Lambert. "The twilight months of the Townsend regime were characterised by drastic cuts in spending, especially on forward model programmes, and by a harsh permanent reduction of about 15,000 or around 25 per cent in white collar employment."

## MEN AND MATTERS

### Big guns on the M42

Lord Denning's 1-2 test judgment seems to have moved in a surprising direction. He has approved industrialised industries, with the proviso of the Rolls-Royce case, for the building of two sections of the M42 motorway near Birmingham by the late 1980s.

Lord Denning's 1-2 test judgment seems to have moved in a surprising direction. He has approved industrialised industries, with the proviso of the Rolls-Royce case, for the building of two sections of the M42 motorway near Birmingham by the late 1980s.

Lord Denning's 1-2 test judgment seems to have moved in a surprising direction. He has approved industrialised industries, with the proviso of the Rolls-Royce case, for the building of two sections of the M42 motorway near Birmingham by the late 1980s.

Lord Denning's 1-2 test judgment seems to have moved in a surprising direction. He has approved industrialised industries, with the proviso of the Rolls-Royce case, for the building of two sections of the M42 motorway near Birmingham by the late 1980s.

### Smart dink

French competitors in the Olympic team to trail behind even more lamentably than the British. However, where political finesse is required, the French leave everyone else standing.

Yesterday, with a few innocuous flicks of the legislative pen, the French government has taken the first step in what is likely to be a long and bitter political clash, by topping South Africa's Springbok rugby union side from making a planned tour in October.

This smart sideways dink sets up Britain fair and square as the target for criticism from the black African nations about sporting links with South Africa. The Russians have threatened exclusion from the 1980 Moscow Olympics, and the British Lions rugby team are due to tour the republic next year.

When the Russian threat was first made, the French gave assurances to black African nations that the Springbok tour would not go ahead. The question was how to prevent it discreetly, without invoking a presidential ban.

### Smart dink

French competitors in the Olympic team to trail behind even more lamentably than the British. However, where political finesse is required, the French leave everyone else standing.

Yesterday, with a few innocuous flicks of the legislative pen, the French government has taken the first step in what is likely to be a long and bitter political clash, by topping South Africa's Springbok rugby union side from making a planned tour in October.

This smart sideways dink sets up Britain fair and square as the target for criticism from the black African nations about sporting links with South Africa. The Russians have threatened exclusion from the 1980 Moscow Olympics, and the British Lions rugby team are due to tour the republic next year.

When the Russian threat was first made, the French gave assurances to black African nations that the Springbok tour would not go ahead. The question was how to prevent it discreetly, without invoking a presidential ban.



### Smart dink

French competitors in the Olympic team to trail behind even more lamentably than the British. However, where political finesse is required, the French leave everyone else standing.

Yesterday, with a few innocuous flicks of the legislative pen, the French government has taken the first step in what is likely to be a long and bitter political clash, by topping South Africa's Springbok rugby union side from making a planned tour in October.

This smart sideways dink sets up Britain fair and square as the target for criticism from the black African nations about sporting links with South Africa. The Russians have threatened exclusion from the 1980 Moscow Olympics, and the British Lions rugby team are due to tour the republic next year.

When the Russian threat was first made, the French gave assurances to black African nations that the Springbok tour would not go ahead. The question was how to prevent it discreetly, without invoking a presidential ban.

### Smart dink

French competitors in the Olympic team to trail behind even more lamentably than the British. However, where political finesse is required, the French leave everyone else standing.

Yesterday, with a few innocuous flicks of the legislative pen, the French government has taken the first step in what is likely to be a long and bitter political clash, by topping South Africa's Springbok rugby union side from making a planned tour in October.

This smart sideways dink sets up Britain fair and square as the target for criticism from the black African nations about sporting links with South Africa. The Russians have threatened exclusion from the 1980 Moscow Olympics, and the British Lions rugby team are due to tour the republic next year.

When the Russian threat was first made, the French gave assurances to black African nations that the Springbok tour would not go ahead. The question was how to prevent it discreetly, without invoking a presidential ban.

# The impossible cost of defence

THE CONSERVATIVE Party came to power pledged generally to reduce the level of public expenditure as a share of the national income. The major exception was defence where the Manifesto stated: "We shall only be able to decide on the proper level of defence spending after consultation in Government with the chiefs of staff and our allies. But it is already obvious that significant increases will be necessary."

Three months later it is doubtful whether that promise will be fulfilled. Certainly the perennial arguments between the Treasury and the Ministry of Defence over defence spending have already begun and it will take a political decision at the highest level if spending is to be increased in any significant way.

These arguments have gone on for years. The Ministry of Defence believes that it has cut, trimmed and deferred expenditure so much that it is down to bedrock. If Britain is to fulfil her commitments, yet the pressure, if not for cuts at least for deferrals, continues even under a Conservative Treasury. At the same time, the cost of defence goes on rising in the point where even if more money were spent we might still end up with less defence than in the past.

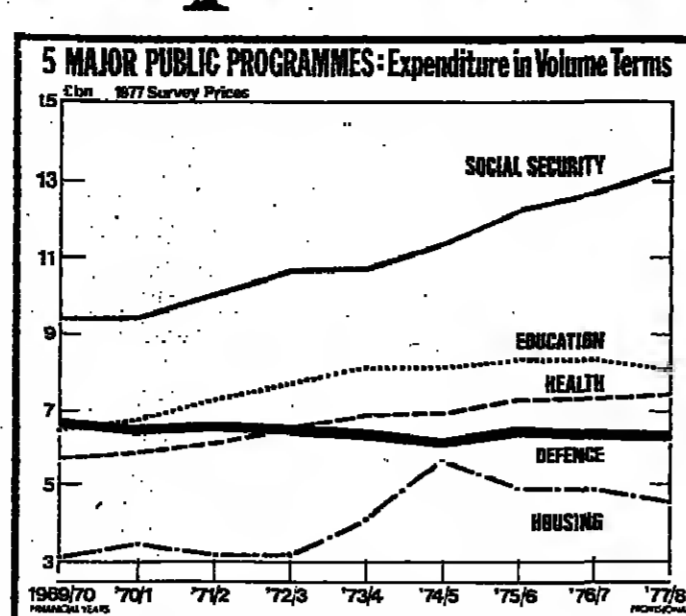
The recent battle has waged over cash limits, the amounts within which the Ministry of Defence like most other government departments are required to live. In fact, Defence has done quite well. In 1976-77 and 1977-78 it actually underspent. But there lies the rub. The amount that is under spent one year cannot be simply carried over to the next. It is either sold on by the Treasury as a way of cutting the borrowing requirement.

The Ministry of Defence has been arguing for some time that it is difficult to go on like this. The underspending is not its fault. It cannot be expected to pay bills that have not yet been presented. The Shipbuilding programme, for instance, is usually a good 12 months behind schedule and the Ministry does not want to pay for work that has not been done. Yet the specific programmes have been approved and the money should remain available.

At least until recently the Treasury argued that it was up to Defence to get its targets right and then meet them within the yearly cash limits. That is known as the principle of "annuality." Any other practice, it was claimed, would undermine the discipline which cash limits were meant to impose.

In the last few weeks, however, the Treasury has gone some way towards meeting the Ministry's plea for greater flexibility. It has suggested that there might be a special fund—a kind of extra contingency reserve—of about £350m which would allow underspending in one year to be compensated in the next. Not all of it would go to the Ministry of Defence, since there are other Departments which have similar problems. But the MoD could expect to claim about 60 per cent. The suggestion apparently remains on the table.

Yet there is also a complication. In 1978-79 the problems at the Defence Ministry were not those of underspend, but of overspend. The amount is relatively trifling, perhaps £40m-£70m against a total defence budget that year of about £7bn, and at least one other department is in the same position. But it does raise an interesting question. What is the Treasury, and indeed what



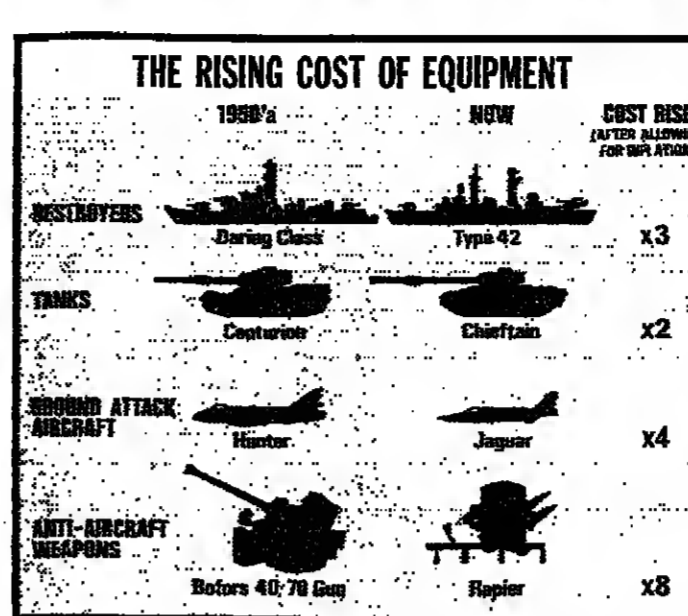
The chart shows that during the 1970s defence expenditure has stayed about level at constant prices. Expenditure on social security has risen quite sharply in the past few years. Over the decade defence has dropped from second to fourth place.

is Parliament, to do if cash limits—the chief means of exerting discipline on the spending departments, are exceeded? The answer seems to be that nobody quite knows, though no doubt there will be some fascinating Select Committee hearings on the subject.

More to the point, the MoD believes that the cash limits for the current year are quite inadequate even to meet already approved programmes. On the most optimistic assumptions of Treasury benevolence the cash limits could still fall a good £150m short of requirements. That is quite apart from any additional commitments to defence sought by the new Conservative Government.

The MoD blames the Treasury for making unrealistic assumptions about the rate of inflation and therefore setting unrealistic cash limits; and it is true that the original cash limits for 1979-80 were set in the days of the 5 per cent pay policy. The Treasury admits this, up to a point. But it also admits that it is trying to make a virtue out of the miscalculation of inflation by using the cash limits to force cuts in public expenditure.

Besides, the Treasury argues that it has already been exceptionally generous to Defence, and certainly much more so than to other departments. The increase in the services' pay, for example, which the Conservatives approved almost



The cost of defence equipment rises faster than prices in general. It may be no longer possible to buy the same amount of defence even if defence expenditure is maintained "in real terms."

immediately on taking office was fully compensated by a rise in cash limits. Judging from the last Defence White Paper in February, it is not clear that the compensation under a Labour Government would have been anything like complete.

The Conservatives also awarded defence an extra £100m in the budget in June in order to help it meet its existing programmes. They promised, too, that the ministry would not have to meet any of the increase in costs arising from the budget itself; for instance from the raising of VAT. The defence cash limits would be again stepped up. Beyond that, there is to be compensation for the forthcoming pay award to industrial civil servants, many of whom work for the MoD.

though it has yet to be decided whether this will be full or partial.

The MoD has also had a bonus from the rising pound. The foreign exchange costs of maintaining British forces in Germany—estimated at £661m for the current year in the last Defence White Paper—have actually been falling. The defence budget must have benefited by about £50m in the past few months.

(Incidentally, the agreement under which West Germany offsets some of the foreign exchange costs of keeping British forces on its territory expires next March. It was intended to be the last, as indeed were others before it. It would be surprising if British officials were not looking round

to find a successor, albeit on a multilateral rather than a purely Anglo-German basis. One sometimes wonders whether the offset question will ever go away.)

To return, however, to the straight and narrow: the Treasury even under the Tories says that it has already been more than generous, while the MoD maintains that present allowances are inadequate even for existing commitments. Both are probably right.

The MoD has a point when it says that, as a result of previous defence reviews, it has little more far left to trim. Equally, some expenditure items have been deferred so often that the hardware would become virtually obsolescent if they were deferred still further.

On the other hand, there would be something to be said for a Treasury argument that British defence expenditure, as a percentage of GDP, remains way ahead of that of our NATO allies. In 1978 it was 4.7 per cent, compared to 4 per cent for France and 3.3 per cent for West Germany, though the German figure comes to 4.1 per cent if aid to West Berlin is included. Even the U.S. figure, for all America's greater commitments, came only to 5 per cent. It is true that percentage of GDP is only one measure. The actual French and German outlays for defence are much higher than the British because their GDP is so superior. But the inferior British economic performance is also one of those facts of life of which we would expect the Treasury to remind us.

Mr. Francis Pym, the Defence Secretary, last week spoke as if the issues had already been resolved when he told a Press conference that the Government intends to keep defence spending rising by 3 per cent a year in real terms until well into the 1980s. That may be the intention, but one doubts if the Government fully understands the implications. Nor have the sums been completed.

The 3 per cent commitment was made in NATO by the previous administration. It was the minimum increase that one was entitled to expect from the Tories' election promises. Yet there is a misunderstanding about what 3 per cent a year in real terms means. The Treasury would like it to mean 3 per cent more than the general rate of inflation. The MoD insists that real terms means volume terms; the actual increase in spending would have to be higher because defence costs rise so rapidly.

That issue, for one, has still not been settled. Meanwhile the question of how the Tories could provide more defence on top of the three per cent, whatever it means, has scarcely even been broached. The argument continues at official level with the general emphasis being on fudging by deferring expenditure from one year to the next.

If there is to be a genuine increase, or perhaps even if spending is to be maintained at its present volume terms, there will have to be a political decision. Given the steadily rising costs, the question may yet have to be re-examined of whether Britain can afford to keep her existing commitments. Can it any longer be a land power in Europe and a maritime power in the Channel and the Atlantic? That is the issue which sooner or later the Government must face. If the commitments are to be kept, defence spending will have to be raised by far more than even Mrs. Thatcher seems to have envisaged. Only she and the Cabinet can decide.

Malcolm Rutherford

## Letters to the Editor

### No scope for improvement?

From Mr. R. Winckles  
Sir—The reactions of the members of the last Government to every positive move made by the new one, and the supposedly objective, but in fact biased, those of the TUC through Mr. Len Murray. It nevertheless seems quite extraordinary that nothing ever seems to be learnt from their own respective histories.

When Mr. Murray continues to attack the Government's plans for restraining the growth in public expenditure, unleashed by the last government, he should also be required (were the news and broadcasting media trying to be politically fair, of course) to state, during what time scale does he see what group of workers being threatened? Why, he always argues, that public services have to suffer because of expenditure cuts, although he must know the contrary to be the case. (Why cannot anyone admit there is room for improved effectiveness in almost any activity, certainly including the public services?) and how he reconciles his stated belief of reducing inflation? (Here he implies he is in agreement with the Government) although at the same time reducing the public sector deficit. If that is not the problem as he sees it, will he say from what other cause the excess money supply can arise?

One final point. Would he and the TUC care to consider why it is that miners, earning £9,000 pa seem willing to emigrate to Canada, and what deductions might be drawn from that fact in relation to members' real priorities and interests?  
Kenneth Winckles,  
Moore House,  
Fishers Wood,  
Sunningdale,  
Ascot, Berkshire.

of students on any course may be overseas students limits further still the numbers who may enter post-graduate work and these limitations imperil the existence and availability to UK students of a full range of post-graduate study opportunities. Professor Dahrendorf (July 14) set out key points of concern to the academic community and I would like to add a plea that in addition to hoping that we will be spared the disastrous syndrome of import controls, political isolation and academic parochialism, we shall also be spared the economic parochialism of a government department which sees only that part of the foreign currency brought in by the overseas students which forms the course fee and fails to consider the total effect on balance payment on the national scale to which overseas students contribute not only their course fees but also their living expenses and their future goodwill.  
J. S. Webb,  
33 High Street,  
Hampton,  
Middlesex.

### Mirror Group chairman

From the Chairman and Chief Executive, Mirror Group Newspapers  
Sir—I refer to the report in your newspaper (August 1) concerning my retirement. "Mirror Group Chairman to retire at end of year."  
My retirement has nothing whatever to do with the introduction of new technology into Mirror Group Newspapers. The reason for my retirement is clearly given in the statement issued yesterday by Sir Alex Jarratt, chairman of Reed International, which clearly stated: "When appointed chairman in 1977, Mr. Roberts indicated his wish to retire no later than the age of 60 and December 31, 1978, is the most appropriate date."  
Percy C. Roberts,  
Hobsons Circus, EC1.

### Management education

From Mr. J. Webb  
Sir—I am glad that Professor Higgins (July 28) has drawn attention to the plight of UK applicants to post-graduate courses. I believe his estimate of a reduction of 200 in the number of management students understates the probable outcome, since I can identify a single institution which is losing 30 places for potential managers this year.

### Protection of employment

From the Chairman, External Relations Committee, The Union of Independent Companies  
Sir—Your report (July 26) on the debate regarding the Order raising the qualifying period for making a complaint under the Protection of Employment Act from 26 to 32 weeks, quoted Lord McCarthy as accusing the Government of pandering to the ignorance of small business men. Let me assure the noble Lord that it isn't just small business men who have to expend far too much time and energy dealing with professional tribunal seekers. Large business men experience the same problem as can be judged from the official figures showing some 70 per cent of cases as being dismissed. This omits all reference to those cases which are paid off because it is cheaper.

I would agree that large firms are better equipped to deal with the unreasonable complainant that those running smaller companies, and I assume that it was in the latter that Lord McCarthy was referring. He might equally claim that those approached have not given the Act as a reason for not expanding, but at a time of relatively static production and, until recently, excessively high taxation, they were probably not prepared to take the risk relative to the likely benefit.

None the less the opportunity

without adverse effects or comment. Now—if we do go ahead—protests, planning and insuperable administrative problems will inhibit or halt progress.

Imagine, if you will, the timetable from now on. It might be:

- Consideration of report 1 or 2? .....
- Search for experimental application and for future prospects .....
- Feasibility study .....
- Planning permission enquiries .....
- Design to first stage and appointment of service contractors .....
- Construction period (say for 200,000 people housed) .....

### Real gas interest

From Professor D. Myddelton  
Sir—It is certainly most gratifying to note the large profits again reported by British Gas Corporation. But the Government's recent financing arrangements seem rather strange. According to my calculations, in the seven years since 1972 the real interest rate received by the Government on loans outstanding to British Gas amounts to minus £4 per cent a year. May we expect a similar rate of interest when British Gas starts lending to the Government?  
D. R. Myddelton,  
Cranfield School of Management, Cranfield, Bedford.

### Wasting time and energy

From Mr. W. Wilson  
Sir—You announced (July 27) the publication of the Department of Energy Paper No. 35 which reportedly pronounced favourably on economic and technological virtues of heat power stations after a gestation or study period of five years. The time already spent bodes ill for converting the theory and practice into operational hardware, particularly as it seems that the Central Electricity Generating Board—almost before the ink on the report is dry—is claiming any responsibility for taking the matter further.

In fact, the real time already spent covers 10 and 15 years ago when papers—never denied—were making these very points, citing practical cases, while our European neighbours have been using the technique successfully for a very long time.

If I stress the issue of time it is, not from a well-based reason to carp but because I see the same lassitude preventing us reaping the benefits so belatedly discovered. The principles really should have been applied 20 years ago to our new towns, as was perfectly possible—I dare say there were 20 such towns in consideration then—and I quote not from bindslight. Construction of the towns and the systems could then have proceeded in parallel

of fresh talent will have disastrous consequences in the long term. Indeed, the staleness of design is already a notorious feature of the Royal Opera House, and the same professional stagnation accounts for the lameness of so much of Britain's opera production.

It has become a fashionable academic game to speculate how Keynes would have altered his opinions to suit the world's changed economic climate. On the question of "the duty of the public Exchequer to support and encourage the civilising arts of life," as he put it, we may reasonably see the founding father of the Arts Council would never have changed his views. What he said in his famous broadcast of 1945, when he spoke of the responsibility of Government to "give courage, confidence and opportunity" to the artist to "enlarge our sensibility," the emphasis that he placed on the need for "serious and fine entertainment," would seem more relevant than ever today. Nor surely would Keynes have compromised his conviction that, even in the most severe financial hardship, "there are such things as false economies in knowledge and the civilising arts, which in fact use up an infinitesimal quantity of materials in relation to their importance in the national life and the comfort they can give to the individual spirit." Without doubt he would have added his name to the efforts for a more positive policy for the arts on the part of the Treasury, motivated by his belief that the economists are, "if not the custodians of civilisation, the custodians of the possibility of civilisation."

R. F. Wilson,  
Department of English Literature,  
University of Lancaster,  
Lancaster.

### London's theatre stagnation

From Mr. R. Wilson  
Sir—One could not help but be irritated by the complacency of John Lloyd's account (July 28) of the economics of the West End theatre. With the London stage currently dominated by fatigued sex comedies and any other transatlantic musicals, it is patent that the real casualty of the Exchequer's parsimony has been the quality of production.

Your writer seemed to have gained no sense of the urgency of the crisis affecting our country's performing arts. Had he done he would not have contented himself with the superficial details of how the subsidised companies find difficulty making ends meet, but would have looked at the way in which the creative vitality of one of our prime foreign currency attractions is being strangled. This is not only a matter of the veto of "experimental" plays by timid managements, though it does involve the banishment from the West End of all serious drama that does not have coterie appeal, and the chaining of the classical repertoire to the "A" Level syllabus. Nor is it simply the problem of cash starvation that is destroying London's recently thriving small opera groups. It is a question of a whole philosophy of "playing safe" having frustrated the talents of all but a handful of an entire generation of young actors, writers, composers, directors and designers.

The drastic economies of the last few years have ensured that the same predictable works are endlessly revived by the same producers using the same artists again and again. Much has been written lately about the effects of atrophy in the academic profession. In the arts the impact is even more damaging. In stage design, for example, the British profession is now more or less exclusively confined to a circle of half a dozen tried and proven, prestigious names, and the thwarting

### Tax relief review

From Mr. C. Beattie, QC  
Sir—Elinor Goodman suggests (page 1, July 30) that the Government may be considering removing tax relief on insurance premiums at an Exchequer saving of £200m per annum. I suggest that tax relief might be removed not only on insurance premiums but also on the funds of tax-free institutions, leading to an Exchequer saving of perhaps ten times the above figure. This would remove the tax bias towards saving in a particular form, which is channeling enormous sums into the hands of institutions instead of leaving individuals free to invest savings in ways of their own choosing.  
C. N. Beattie, QC,  
21 Old Buildings,  
Lincoln's Inn, WC2.

### Today's Events

King Olav of Norway on visit to Isle of Man.	Road, Edgbaston, Birmingham, 12. British Benzol Carbonsing, Great Eastern Hotel, EC. 12.
Sir Kenneth Cork, Lord Mayor of London, in Penang.	Evans of Leeds, Queens Hotel, Leeds, 12. Ferguson Industrial Holdings, Appleby Castle, Cumbria, 11.30. Imperial Continental Gas, Winchester House, EC. 11.30.
Romanian Foreign Minister continues visit to Paris.	Robert Jenkins, Witley Road, Farnham, 12. Marler Estates, Hyde Park Hotel, SW. 11.30.
Chinese agricultural delegation touring West Germany.	Property Partnerships Hotel Norwich, Norwich, 12. Tocalenti, Winchester House, EC. 12. J. Woodhead, Parkway Hotel, Leeds, 2.30.
Final dividend: Belbaven Brewery Group, Gray Electronics, Hotel Bar, A.L.L. Holdings, Owen and Rohnsco, Smith Whitworth.	
COMPANY MEETINGS	Erickhouse Dudley, 2.5 Hagley
Overseas: The Commonwealth Heads of Government Conference continues in Lusaka—Zimbabwe Rhodesia debate, Iranian national elections.	

**WHERE IN THE WORLD WILL YOU FIND STANDARD CHARTERED?**

New York. An essential part of Standard Chartered's worldwide network, set up to service your overseas transactions on a direct branch-to-branch basis across 60 countries.

This system can save time and money. If you have business with the East Coast, our Water Street branch is ready to help you.

Look for us also in Chicago, Miami, Seattle and California, where our existing 36 branches are now strengthened by our partnership with the Union Bank of California.

Ring Keith Skinner on 01-623 7500 to get things moving now.

**Standard Chartered Bank Limited**  
helps you throughout the world

Head Office: 10 Colonnade Lane, London EC4N 3AP

UK COMPANY NEWS

16 Companies and Markets

Tricentral profit tops £7.2m for first half

SECOND quarter profits before tax of Tricentral showed an improvement from £3.25m to £4.02m to make £7.2m for the six months ended June 30, 1979 compared with £4.3m in the same period last year.

However the directors say the first half profit was depressed by the strength of the pound against the dollar which not only affected North America results but also reduced revenue from the Thistle Field which is earned in dollars.

Following expectations at the time of the recent rights issue of an 8p gross total dividend for the current year, the directors are now declaring an interim of 2.5p net, equal to 4p gross. Last year, the net total dividend of 1.675p included an interim of 0.8375p.

HIGHLIGHTS

The Lex column takes a look at two of yesterday's company news stories. Reed International continues its steady recovery, and a big fall in finance charges and tax gears up the earnings advance. In contrast Hoover is still making losses in the second quarter, although there are hopes of some improvement in the remainder of the year. Elsewhere Lex briefly takes a look at the unexpectedly large rise in the UK reserves during July and sets out the arguments for and against the Stock Exchange call for some favourable tax treatments for private investors in ordinary shares. Other companies of note reporting yesterday include Tricentral and Rentokil.

was 1.32m barrels giving a pre-tax profit of £4.33m.

Crude sales on Tricentral's account totalled 1.95m barrels giving a cash income of £18.96m. A total of 15 development wells had been completed by July 25, of which ten were available for production.

In Canada, the group participated in drilling 23 wells resulting in six oil wells, 12 gas wells and five being abandoned. In the U.S., the company drilled 24 prospects of which eight were successful gas completions, three 13 abandoned.

In UK commercial activities, the main contribution to the overall result came from the car and truck businesses which took full advantage of booming markets. The travel group's results were close to budget being offset by coach business figures.

Tricentral Builders' Merchants reported satisfactory profits but Tricentral Trading's disappointing run continued.

Some 25 per cent of the pre-tax losses incurred in Europe related to future business development activities and directors will be continuing with at least this level of development effort during the rest of the year.

In Australian manufacturing, the latter part of the second

quarter saw increasing industrial unrest and June sales were down on expectations. Despite these factors sales and profit for the half year were up 35 per cent and 140 per cent respectively on the same period last year.

Canada trading was satisfactory and shows a considerable improvement over 1978.

comment

Compared with pre-tax profits of £3.2m in the first quarter, Tricentral's second quarter profits are up by 25 per cent at £4.02m. This would have been considerably higher were it not for continued production problems in the Thistle Field and adverse exchange rate movements which cost the group around £1.5m. Tricentral's share of the Thistle production fell by close to a fifth between the first and second quarters but as prices are roughly two-thirds higher than they were a year ago the shortfall is no real embarrassment. Against a June loss of 66,000 barrels per day, Tricentral reckons that Thistle production is now picking up and should average over 80,000 h/d in the second half. This means that full year pre-tax profits should rise from £8m to £17m. At 22p the shares sell on 13 times earnings and yield 3.5 per cent.

Reed's net profit soars 81% in first quarter

PRE-TAX profits of Reed International climbed by 23 per cent in the first quarter from £2.5m to £26.5m, aided by a sharp decline in interest payments.

These totalled only £4.1m against £8.7m in the same period of last year and Sir Alex Jarratt, the chairman, told yesterday's annual meeting that this reduction would continue to have an important effect.

Attributable profits improved by 81 per cent from £9.9m to £17.5m, reflecting tax relief on Reed's higher levels of capital spending and its ability to offset previous years' losses, especially in Canada.

Earnings per share totalled 16p against 8.5p. For the whole of its last financial year to March 31, they were 38p.

Sir Alex pointed out that in the comparable April-June quarter of 1978, the group still owned its Australian and South African ventures and was involved with the joint ventures in Canada. Other companies had also been sold since then.

As a result, sales in the latest period eased from £397.9m to £371.7m. The overseas component dropped from £181.5m to £103.1m, while UK and export sales rose from £236m to £268.6m.

Having carried out its asset disposals and tightened up its operations generally, "the company as you see it, today is going to be the company as it is going to be," Sir Alex told shareholders.

"We now have the benefit of a slimmer and more effective company and a high degree of liquidity," he said.

Asked by a shareholder if Reed planned to dispose of any more assets, he replied: "There is no question of any further major surgery—what we want now is a very good development of what is left of the body."

He said in his main speech that the remaining businesses in Canada, following the sale of half its assets there, had undergone "a remarkable recovery." This applied especially to the paper mills in Quebec and Dryden.



Sir Alex Jarratt, chairman of Reed International.

Reed Paper, the Canadian subsidiary which has just reported first half earnings of £81.8m compared with a near £37m loss in the same period of 1978, was now in a strong financial position. It could look after itself in terms of earning capability and cash requirements.

He reaffirmed Reed's determination "only to consider selling this investment on terms which fully reflect its value." After the meeting, he said there were no current talks about a sale; the group called off its previous negotiations this February as the Canadian company announced sharply improved results.

As well as the asset trimming operation, Reed had also achieved a large reduction in its debt-equity ratio, from 211 per cent 15 months ago to close on 50 per cent, Sir Alex said.

The pressure for any further reduction in the actual quantity of our debt has now effectively been removed." The group had managed, in large part, to overcome the mismatch between overseas assets and liabilities which had caused serious currency losses in the past.

The amount of cash and un-

	1979	1978
Sales	371.7	397.9
UK and Exports	268.6	236.0
Overseas	103.1	161.9
Operating profit	30.5	29.1
UK	30.5	30.2
Overseas	0.0	0.9
Interest	4.1	8.7
Pre-tax profit	26.5	20.4
Tax	0.3	0.4
UK	0.3	0.4
Overseas	0.0	0.0
Minorities	0.0	0.0
Attributable	17.9	9.9
Earnings per ordinary share of £1	16.0p	8.5p
for 12 months ended 30th June	32.0p	38.0p
for 12 months ended 31st March 1979	38.0p	38.0p

1 Calculated on the basis of SSAP15 and comparative restated.

Hoover £0.98m loss midway

LOSSES continued in the second quarter of 1979 for Hoover and a pre-tax deficit of £981,000 was incurred in the six months to June 30, compared with profits of £3.82m.

The result includes losses of £1.62m, against a £500,000 profit on translation of liabilities and current assets in overseas currencies. Also included is £146,000 (£509,000) profit in respect of the group's share of Hoover (Holland).

Although group sales for the six months reached £103,551n, an increase of 9 per cent over last year, trading profit was only £836,000 against £2,899m.

In addition to redundancy costs of £850,000 in the first quarter, further redundancies took place in the second quarter which gave rise to costs of £70,000 charged in arriving at trading profit.

Sales in the UK, assisted by pre-Budget buying, showed an increase. In several overseas markets, especially in Australia, trading conditions were difficult and the increase in the value of sterling reduced profit margins on UK manufactured products sold overseas.

The implementation of cost reduction programmes continues in all areas of the group; the directors say. Some improvement in profit levels is expected in the second half as benefits take effect.

There is a 9p loss per share against 14p earnings but the interim dividend is maintained at 5.61p. The total last year of 12p was paid from pre-tax profits of £5.3m.

Record £2.3m for P. Black

PROFITS BEFORE tax of Peter Black Holdings, footwear and travel goods maker, improved from £942,000 to £1.1m in the second six months ended April 30, 1979, giving a full year total up from £1.94m to a record £2.35m. Turnover rose by £3.93m to £28.59m.

After a tax charge of £676,538 compared with a £46 credit, net profits declined from £1.94m to £1.63m.

Stated yearly earnings per 25p share fell from 48.41p to 40.13p, but the net dividend total is lifted by 20 per cent to 7.7p (6.42p) with a 5.638p final. A one-for-one scrip issue is also proposed.

Dividends absorb £308,000 (£258,800).

comment

The year-end figures from Peter Black show steady growth in both turnover and pre-tax profits, the latter is up by 15 per cent. This can be attributed to slightly improved margins and to continued strong retail sales in footwear, the group's major interest. The company has the sole marketing rights (except sport shops) for Adidas products, both shoes and sport bags, and this is a plus factor behind the company's growth. It also supplies Marks and Spencer with 25 per cent of its output. The dividend has been raised by 20 per cent and yields 4.5 per cent at 23p—7p yesterday. The p/e at this price is 5.7. Peter Black has demonstrated steady growth in turnover and profit for nearly a decade, and though the shares seem fully valued they rate a reasonable hold.

East Lancs. Paper lower so far but prospects look brighter

AS ANTICIPATED 1979 first half results at East Lancashire Paper Group showed a downturn before tax. The company says the prospects for the second half are brighter, particularly for the paper mill and paper merchants.

Hit by the transport strike in the early months and poor performance by Waldorf Stationery and Greetings Cards, half-time profit fell £95,000 to £615,000 on sales up from £14.32m to £15.92m.

However, lower tax of £320,000 (£368,000) and reorganisations of £73,000 last time, left stated earnings per 25p share better at 5.3p, against 4.7p. The net interim dividend is raised to 1.66p (£1,509p). For 1978 a 2.176p final was paid from profit of £1.46m (£1.17m).

The interim stage and, while a good order book and higher margins should improve the third quarter, longer-term prospects must be affected by higher pulp prices, the increase in being made by imported products and a fall in demand. The group has had a slightly erratic profit record but has been cushioned from the full effects of the paper cycle by its customer base and its other interests. The Waldorf stationery subsidiary is still making a loss, however, so the paper milling and merchanting activities are exposed. Lead-times are only around three to four weeks, with the result that a slide in order levels would have a fast impact. Pencil-making in pre-tax profits of £1.5m for the year gives a prospective p/e of five, but the rating is probably supported by Greenbrook's 9.6 per cent stake in the company, which gives an element of hid specula-

tion. The share price of 67p yields 8.9 per cent, slightly below average for a sector where Bowater is yielding 10 per cent.

W. G. Allen ahead to £0.7m and cautiously optimistic

ON TURNOVER ahead from £7m to £7.88m W. G. Allen and Sons (Tipton), the engineering group, lifted taxable profits from £466,272 to £665,550 in the year to March 31 1979. But the directors say that the results could have been significantly better had not the Tipton division lost about one month's output through a pay dispute.

They add that in the current year the group has got off to a reasonable start, if not such a good one as last year. Sales for the first quarter were £1.5m, against £2m and orders outstanding at June 30 stood at £2m (£1.5m).

The chairman says that providing the engineering industry remains free from industrial unrest it is cautiously optimistic about the outlook.

The pre-tax surplus was struck after interest of £43,170, compared with £31,858, for the year. Tax takes £256,904 (£238,641) and stated earnings per 25p share are down from 11.42p to 9.98p. The final dividend of 2.18p net lifts the total from an adjusted 2.37p to 2.96p. The interim payment of 0.5p was paid on taxable profits ahead from £190,000 to £278,000.

Attributable profit for the year is down from £425,006 to £371,061.

The directors say that bank borrowings were reduced by £300,000 during the year and stood at £579,000 at the year-end. The group's financial position remains strong with borrowings amounting to about 14 per cent of shareholders' funds of £4.2m.

Thos. Witter static at halfway

Pre-tax profits of Thomas Witter and the virtual static for the half-year to May 31, 1979, at £647,163, compared with £637,076. In the last full year the surplus surged by some £1m to £1.57m.

Half-yearly sales were £12.6m (£13.02m). Tax took £365,662 (£379,353).

The net interim dividend of the floor and wall covering manufacturer is raised from 0.57p to 0.7p. Last year's total was 3.511p.

UNITED GAS

United Gas Industries has bought for cancellation £150,000 of 7 per cent debenture stock 1983-87 at 67p, in line with the trust deed. This £318,149 of the stock remains outstanding.

YORKS. SPINNERS CHIEF RESIGNS

Policy differences have led to the resignation of Mr. George Verity as chairman of Yorkshire Fine Woollen Spinners. The dis-

Aero Needles Group Limited

Aero Needles Group Limited is the new name for Abel Morrall Limited.

The share quotation for the company is listed in this newspaper under the heading: INDUSTRIALS (Miscellaneous)

Manufacturers of:  
"Aero" knitting pins  
"Aero" haberdashery  
Hand sewing needles  
Handicraft and allied products

Aero Needles Group Limited  
Clive Works Redditch



London W1. Luxury Furnished Apartments

Greengarden House, St. Christopher's Place in quiet, picturesque, pedestrianised area near Oxford Street. Fully-equipped apartments with maid service.

For details of availability and charges contact:  
Greengarden Investments Limited  
Greengarden House, St. Christopher's Place, London W1M 5HD  
Tel: 01-486 7771

Reed International Limited

Consolidated Profit Statement for the 3 months ended 30th June 1979

	3 Months Ended	
	1979	1978
	30,679	30,678
	£ million (unaudited)	
SALES	371.7	397.9
United Kingdom and Exports	266.5	236.0
Overseas	105.1	161.9
TRADING PROFIT	30.1	29.1
SHARE OF PROFITS OF ASSOCIATED COMPANIES	0.5	1.1
OPERATING PROFIT	30.6	30.2
United Kingdom	21.7	22.6
Overseas	8.9	7.6
INTEREST	(4.1)	(8.7)
PROFIT BEFORE TAXATION	26.5	21.5
TAXATION	(8.3)	(10.4)
United Kingdom	(6.5)	(7.1)
Overseas	(1.8)	(3.3)
PROFIT AFTER TAXATION	18.2	11.1
OUTSIDE SHAREHOLDERS' INTERESTS	(0.3)	(1.2)
PROFIT ATTRIBUTABLE TO SHAREHOLDERS	17.9	9.9
EARNINGS PER ORDINARY SHARE OF £1		
for 3 months ended 30th June	16.0p	8.5p
for 12 months ended 31st March 1979	32.0p	38.0p

As announced in the 1978/79 Annual Report, it is intended to consolidate the results of overseas subsidiaries to a common year-end date with that of the UK companies for the accounting period to 31st March 1980 and thereafter.

It should be noted that:

- In 1979 the overseas results are consolidated on a co-terminal basis for the 3 months to 30th June 1979. In the comparative figures for the previous year the overseas results were for the 3 months period to 31st March 1978.
- Overseas results for January to March 1979 are not reported above but will be included with the results for the year to 31st March 1980. For information they totalled: Sales £94m and Profit Attributable to Shareholders £4m.
- Taxation has been calculated on the basis of SSAP15 and 1978 figures have been restated.

REED INTERNATIONAL LIMITED REED HOUSE PICCADILLY LONDON W1A 1EJ

Govett European examining possibility of unitisation

Govett European, the investment trust which specialises in European shares, is looking at ways to unitise its assets.

The directors say they have been considering the future of the company following the effective abolition of exchange controls on portfolio investment in the EEC.

Noting the large discount of the shares from their net asset value, they favour unitisation. This would give shareholders who desire this, a continuing European investment and those shareholders who do not, a means of realising their investment at a value more closely related to net asset value.

Meanwhile, the trust reports a profit available for Ordinary holders of £477,892 for the year ended June 30, 1979, against £488,682 previously. Earnings per share are stated at 2.33p (2.49p) and net asset value was 76.2p against 88.1p.

A maintained simple dividend of 1.5p has already been declared.

Two other investment trusts with a European bias, New Court European and Scottish and Continental, have opted for unitisation in the last couple of years.

Scottish European (59p up 3p), F and L Euro (45p up 3p) and Szevell European (76p up 3p)

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div. year	Total for last year	Total for year
W. G. Allen	2.16	Sept. 14	1.83	2.96	2.57
Amber Industrial	1.5	Oct. 12	2.1	—	0.94
Amber Coal	3.09	Oct. 15	3.67	7	7.2
J. Austin Steel	1.54	Oct. 1	1.17	—	5.82
Beaumont Props.	1.54	Oct. 8	4	7.7	7.87
Peter Black	5.04	—	2.53	3	6.32
Bollington Textile	3	—	2.53	3	2.33
Brasay	2	—	1.75	—	1.2
East Lancs. Paper	1.66	Sept. 7	1.51	3	3.69
Hales Photo.	4.15	—	2.54	4.15	2.84
Hales Properties	2.21	Sept. 7	1.7	3.11	2.5
Hoover	5.61	Oct. 11	5.61	—	1.2
Law Debenture	2.21	—	1.75	—	5.25
W. E. Norton	0.427	Oct. 1	0.15	0.82	0.20
William Ransom	1.63	Sept. 17	1.97	4.83	3.14
Rentokil	0.85	Nov. 19	0.72	—	1.87
River and More	2	—	1.75	—	9.5
River Plate & Gen.	2	Sept. 3	1.75	—	—
W. Sommerville	5.4	—	2.25	6	3.75
Stehberg Grp.	0.78	Oct. 4	0.64	1.1	0.86
Tanjong Tin	2	Sept. 24	2.54	—	7.3
Tricentral	2.5	Nov. 30	1.27	—	1.68
Viscose Devel.	0.8	—	0.8	—	4.15
Weirwell	0.8	Nov. 12	nil	1.1	nil
T. Witter	0.7	Oct. 1	0.67	—	3.51

Dividends shown pence per share net except where otherwise stated.  
\* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ To reduce disparity.  
§ South African cents.

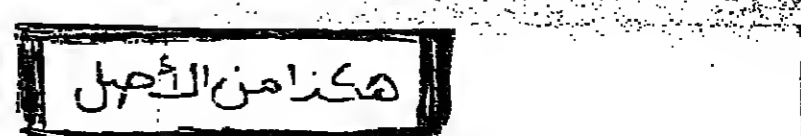
Martin Ford Ltd Famous for Separates

Further Expansion and Increased Profits

- Pre-tax Profits for half-year increased by 21%
- Further improvement in turnover and profits anticipated
- Two new branches opened and another three scheduled for this year
- Increase in interim dividend to 1.5p

Interim unaudited results for 26 weeks ended 2nd June 1979

	Half-year 1979	Half-year 1978	Year 1978
Sales (including V.A.T.)	3,512,482	3,136,245	6,490,017
Profit before Taxation	669,326	553,837	1,327,389
Taxation	357,169	294,647	706,926
Profit after Taxation	312,156	259,190	620,463
Dividends	203,125	171,875	353,125
Transfer to Reserves	109,041	87,315	267,338
Earnings per Share	2.00p	1.66p	3.47p





UK COMPANY NEWS

BIDS AND DEALS

Brentnall Beard sale to Hogg Robinson

BY JOHN MOORE
Brentnall Beard (Holdings), a troubled insurance broker...

On the basis of the information currently available to them, the directors of Brentnall Beard (Holdings) estimate that this exercise will amount to approximately £500,000.

dissatisfied with the solvency position as it now exists.
A meeting is planned next Wednesday of the 110 members of the Sasse syndicate...

Lindus turns down Hanson

Lindus, the engineering and textile group, has spurned the £25m offer from Hanson Trust, the industrial holding company...

Former Berwick Timpo chief fights for return to board

BY JAMES BARTHOLOMEW
The row at Berwick Timpo, the toy company, has come to a head with Mr. Torquill Norman, its former chief executive...

Mr. Oakley complained to Mr. Norman about this and Mr. Norman agreed to a new arrangement whereby the two men became joint managing directors...

been approved by shareholders. Accordingly, View Forth has been placed in members' voluntary liquidation and the scheme will now be put into effect.

BLYTH GREENE IN FINANCE TALKS

John Swire, the overseas trading group, is having discussions with Blyth Greene, Jourdain and others about raising its 30 per cent stake in the unquoted company.

VIEW FORTH

The scheme of amalgamation between View Forth Investment Trust and Crescent Reserves has...

HOLLIS BROS. & E.S.A. LIMITED
PRELIMINARY ANNOUNCEMENT
GROUP RESULTS FOR THE TWELVE MONTHS ENDED 31st MARCH 1979

A. COHEN & CO. LTD.
Extracts from Group Accounts
Year ended December 31st 1978 1977

MINING NEWS

Hamersley still ahead at half-way, but...

BY KENNETH MARSTON, MINING EDITOR
EARNINGS OF the Rio Tinto Zinc group's big Hamersley Holdings iron ore producer in Western Australia were still well ahead at the half-way stage...

half results, of course, but Hamersley expects the result of the new agreement will 'help restore the confidence of its customers in the company and Australia'.

Hampton Areas' rising income

ANOTHER GOOD year looks to be shaping up for Hampton Gold Mining Areas. Of the company's two major sources of income, royalties received on part of Western Mining's nickel production...

GOPENG GROUP TIN OUTPUTS

The Malaysian tin producer, Gopeng Consolidated, sustained its recent high level of output in July when production totalled 1871 tonnes of tin concentrates.

Amcoalg on the rising trail

EARNINGS OF South Africa's Anglo American Coal Corporation remain firmly on the rising trail. For the half year to June 30, they amount to R22m (£18.9m), equal to 136.3 cents per share...

market as a result of the Richards Bay expansion should have an important gearing effect on the group's earnings which are already in a rising phase.

WADHAM BUYS COOMBS OFFSHOOT

Wadhams Straker has bought Coombs Commercial (Guldford) a subsidiary of Coombs and Son (Guldford). The acquisition will give Wadhams Straker 51 per cent representation rights for 31 years in the city.

JOHN BROWN

The British Railways Board as trustees to various railway pension funds has acquired £1.04m ordinary stock (5.074 per cent) in John Brown and Co. Holdings...

NO PROBS

These mergers are not to be referred to the Monopolies Commission. PMA Holdings/Harris Holdings, Alfred Dunhill a substantial minority holding (29.9 per cent) in Asprey and Co. Pentos/Caplan Profla Group. W. L. Pawson and Son/Silhouette (London). Wolsley-Hughes/John James, Group of Companies.

SELINCOURT

Selincourt, the textile and garment manufacturer, has bought from Roche Mills (Leicester) a factory in Leicester as a fully operational unit producing fashion knitwear. The payment was £294,000 cash.

HILLARDS

Hillards has acquired around two acres of freehold land adjacent to the company's head office in Gomersal, Cleckheaton, West Yorkshire, for £18,600, being satisfied by the issue of 5,688 ordinary shares.

CORAL LEISURE

Coral Leisure Group has acquired the outstanding balance of 1.1 per cent in Holiday Club SA, of Luxembourg, a subsidiary of Pontinas.

ROUND-UP

The South African General Mining's group's Sentrust mining investment subsidiary has decided not to go ahead with the rights issue that was contemplated in December.

MINING BRIEFS

Clydesdale (Transvaal) Collieries—Quarter to 30/5/79. Income R2,654,000 (prev. R2,111,000). Net income R1,913,000 (R1,480,000). Cap. exp. R1,953,000 (R1,430,000).

RESULTS AND ACCOUNTS IN BRIEF

RIVER PLATE AND GENERAL INVESTMENT TRUST—Gross revenue for year to 31/3/79, £208,971 (£224,889). Tax £14,967 (£14,967). Net asset value 226,789 (£197,229) per share.

Hales Props. increases to £385,000

Taxable profits of Hales Properties rose from £278,470 to £385,029 in the year to March 31, 1979, on turnover £884,700, against £949,079.

Phillips Patents repays prof.

Phillips Patents (Holdings) is proposing to repay and cancel the whole of its preference capital, which consists of 240,000 7 1/2 per cent preference, on the basis of 75p cash per share.

SELINCOURT

Selincourt, the textile and garment manufacturer, has bought from Roche Mills (Leicester) a factory in Leicester as a fully operational unit producing fashion knitwear. The payment was £294,000 cash.

REPORTS TO MEETINGS

Margins squeeze at MK Electric

A WARNING of a squeeze on profit margins of M.K. Electric Holdings was given yesterday by Mr. David Robertson, the chairman, at the annual meeting.

oil had run out and battery-powered cars were becoming ever more viable. Dr. Maurice Gillibrand, an ex-director of research at Chloride, urged the company to take maximum advantage of the oil scarcity.

ANDERSON STRATHCLYDE

Mr. R. H. Torpe, the chairman of Anderson Strathclyde, said a 1988 turnover was anticipated because of an industrial dispute at its Motherwell factory. But it was not yet possible to quantify the effect on profitability, particularly for the first half of the year.

BRENT CHEMICALS

In the current year at Brent Chemicals' experimental management accounts showed satisfactory progress was being maintained, Mr. J. S. M. Jones, the chairman, stated.

CHLORIDE

The strength of sterling had made business more difficult but Chloride was still on course, said Sir Geoffrey Hawkins, the chairman. There was no need to revise his forecast of profits growth made in the annual report.

VALOR

Turnover and order books at Valor, gas appliances group, in the first four months, showed remarkable strength and were 'up to my very best expectations', Mr. M. Montague, chairman, said. The group remained confident of exceeding its record £2.8m profit.

Moran holders approve

Shareholders of Christopher Moran Group, the insurance broker with Lloyd's of London interests, approved the appointment of Sir Geoffrey Hawkins, of Canon Valley, as chairman and director of the group.

At an extraordinary meeting held immediately after, shareholders approved the acquisition of the 20 per cent minority interest in Moran Gainer, a subsidiary of the Moran Group.

THE BRADFORD PROPERTY TRUST LIMITED
Continued Prosperity
Extracts from the accounts and circulated statement of the Chairman, Sir Henry Warner, Bt.

BARLOW HOLDINGS LIMITED
(Registered in England No. 1395118)
Share Capital
Authorised £5,500,000 in Ordinary Shares of 10p each

# Nacional Financiera, S.A.

7 1/2% External Loan 1982

Singer & Friedlander Ltd. announce that the redemption instalment of U.S. \$900,000 due 2nd September 1979 has been met by purchases in the market to the nominal value of U.S. \$466,000 and by a drawing of Bonds to the nominal value of U.S. \$434,000.

The distinctive numbers of the Bonds, drawn in the presence of a Notary Public are as follows:

0743	0899	0922	1323	1377	1522	1698	1778	2504	2628
0744	0891	0982	1124	1380	1523	1611	1779	2505	2629
0745	0892	1002	1125	1391	1534	1612	1792	2526	2646
0746	0893	1003	1126	1392	1535	1613	1793	2527	2647
0747	0894	1004	1127	1393	1536	1614	1794	2528	2648
0748	0895	1005	1128	1401	1537	1615	1802	2529	2652
0749	0811	1006	1129	1402	1538	1616	1803	2530	2653
0750	0812	1007	1127	1403	1539	1617	1838	2531	2654
0751	0824	1008	1128	1425	1540	1642	1840	2532	2655
0752	0825	1009	1129	1426	1542	1646	1841	2533	2656
0753	0827	1010	1130	1427	1543	1647	1845	2534	2657
0754	0828	1011	1287	1428	1544	1648	1846	2535	2658
0755	0829	1012	1288	1429	1545	1649	1847	2536	2659
0756	0830	1013	1289	1430	1546	1650	1848	2537	2660
0757	0831	1014	1293	1431	1547	1691	2350	2581	2869
0758	0832	1015	1294	1432	1548	1692	2351	2592	2870
0759	0835	1016	1295	1433	1549	1693	2352	2593	2871
0764	0836	1017	1295	1434	1550	1694	2356	2596	2874
0765	0839	1018	1326	1444	1551	1695	2361	2597	2875
0766	0839	1019	1327	1445	1552	1696	2362	2598	2876
0767	0840	1020	1328	1470	1555	1697	2363	2599	2877
0769	0841	1021	1329	1472	1556	1711	2364	2595	2877
0770	0852	1022	1330	1473	1558	1712	2365	2596	2878
0771	0853	1023	1331	1474	1561	1713	2377	2597	2879
0772	0854	1024	1332	1475	1562	1717	2384	2598	2879
0773	0859	1025	1333	1476	1569	1719	2399	2604	2874
0774	0862	1026	1334	1477	1570	1720	2423	2605	2875
0775	0863	1027	1335	1478	1578	1721	2423	2610	2870
0776	0864	1028	1336	1479	1579	1722	2430	2611	2871
0777	0865	1029	1337	1480	1580	1742	2431	2612	2872
0778	0866	1028	1341	1481	1591	1743	2434	2613	2873
0779	0876	1031	1342	1501	1587	1744	2435	2614	2874
0780	0877	1032	1343	1502	1588	1745	2436	2615	2875
0781	0878	1033	1344	1503	1589	1747	2437	2616	2876
0782	0879	1034	1345	1504	1590	1748	2438	2617	2877
0783	0880	1035	1346	1512	1591	1749	2439	2618	2878
0784	0884	1036	1347	1513	1592	1750	2439	2619	2879
0785	0885	1037	1348	1514	1593	1751	2439	2620	2879
0786	0886	1038	1349	1515	1594	1759	2437	2621	2880
0787	0887	1039	1350	1516	1595	1760	2438	2622	2881
0788	0888	1040	1351	1517	1599	1761	2439	2623	2882
0789	0889	1119	1355	1519	1605	1763	2501	2625	2883
0880	0890	1120	1354	1520	1606	1764	2502	2626	2884
0889	0891	1122	1355	1521	1607	1777	2503	2627	2885

On the 1st September 1979 there will become payable upon each Bond drawn for redemption, the principal amount thereof, together with accrued interest to said date at the office of: Singer & Friedlander Limited, 20 Cannon Street, London EC4M 6XE or with one of the other paying agents named on the Bonds.

20, Cannon Street, London EC4M 6XE 3rd August 1979

### NOTICE

The following bonds previously called for redemption have not been presented for payment:

7207	7230	7236	7275	7353	7384	7395	7425	8117
7211	7231	7237	7291	7366	7385	7395	7427	8534
7212	7232	7238	7300	7380	7396	7398	7440	8536
7223	7233	7239	7301	7381	7387	7410	7442	
7224	7234	7272	7319	7382	7388	7411	7443	
7228	7235	7274	7344	7383	7389	7415	7444	

# The English Card Clothing Co. Ltd.

SUMMARY OF RESULTS		1979	1978
		£000's	£000's
Turnover		19,886	19,094
Trading profit		2,890	2,801
Profit after taxation		1,360	1,339
Earnings per share		21.2p	21.4p
Ordinary dividend per share		4.90p	2.95p

"Since the end of the year there has been a welcome increase of activity which should continue in the wire and control cable divisions and more unevenly in the card clothing firms, both in this country and overseas".

Simon Rothery, Chairman

Copies of the Report & Accounts can be obtained from the Secretary, Acro Street, Huddersfield.



This advertisement appears as a result of record only.

## REPUBLIC OF INDONESIA

acting by and through the Department of Finance

U.S.\$48,308,847.55  
and  
U.S.\$ 7,325,090.71

### LONG AND MEDIUM TERM LOANS

to provide finance for investment purposes

### PERUSAHAAN UMUM LISTRIK NEGARA

and

### ASEA AB

for the supply of switchgear, transformer and associated equipment and services

arranged and provided by

### SKANDINAVISKA ENSKILDA BANKEN

and

### SCANDINAVIAN FAR EAST LIMITED

Aug. 1979

## Companies and Markets

# Rentokil moves ahead— forecasts over £12m

FULL-YEAR profits in excess of £12m are forecast by Rentokil, compared with the record £10.55m achieved in 1978.

The first half profits have risen from £5.05m to £5.31m on turnover ahead to £33.77m (£26.68m).

The net interim dividend is lifted to 0.85p (0.72p)—last year's total was 1.87p.

Taxable profits were split as to: UK £11.3m (£3.56m) and overseas £1.69m (£1.79m).

The directors say the fall in overseas profits reflects the strong pound. At constant exchange rates at June 30, overseas profits increased 5.8 per cent, they add.

Turnover comprised UK £19.36m (£15.11m), and overseas £14.41m (£13.57m).

There were extraordinary debits of £202,000 (£284,000 credits) arising on translation into sterling of net assets overseas and liabilities denominated in foreign currencies.

The group, which is a subsidiary of Sphus Berends of Denmark, acts as a specialist in timber preservation, pest control, damp proofing, thermal insulation and industrial hygiene.

comment

Once again, Rentokil has risked an annual forecast at the interim stage and, if past experience is anything to go by, the target should be beaten with something to hand. The home market continues to make most of the running with a 26.7 per cent rise in profits against just 5.8 per cent, at constant exchange rates, in overseas operations.

The U.S. acquisition of May, 1978, Mighty National Exterminators, has yet to do very much more than cover its financing charges but America is seen as a source of potential growth and further acquisitions are planned. The overall projection, conservative though it may prove, has already been largely discounted in the price which saw a dramatic recovery in the maximum prospective p/e is 16.7. Income attractions look somewhat limited since on the basis that Rentokil adopts, say, two and a half times cover on fully taxed earnings, the yield is 3.4 per cent.

comment

Once again, Rentokil has risked an annual forecast at the interim stage and, if past experience is anything to go by, the target should be beaten with something to hand. The home market continues to make most of the running with a 26.7 per cent rise in profits against just 5.8 per cent, at constant exchange rates, in overseas operations.

The U.S. acquisition of May, 1978, Mighty National Exterminators, has yet to do very much more than cover its financing charges but America is seen as a source of potential growth and further acquisitions are planned. The overall projection, conservative though it may prove, has already been largely discounted in the price which saw a dramatic recovery in the maximum prospective p/e is 16.7. Income attractions look somewhat limited since on the basis that Rentokil adopts, say, two and a half times cover on fully taxed earnings, the yield is 3.4 per cent.

comment

Once again, Rentokil has risked an annual forecast at the interim stage and, if past experience is anything to go by, the target should be beaten with something to hand. The home market continues to make most of the running with a 26.7 per cent rise in profits against just 5.8 per cent, at constant exchange rates, in overseas operations.

The U.S. acquisition of May, 1978, Mighty National Exterminators, has yet to do very much more than cover its financing charges but America is seen as a source of potential growth and further acquisitions are planned. The overall projection, conservative though it may prove, has already been largely discounted in the price which saw a dramatic recovery in the maximum prospective p/e is 16.7. Income attractions look somewhat limited since on the basis that Rentokil adopts, say, two and a half times cover on fully taxed earnings, the yield is 3.4 per cent.

comment

Once again, Rentokil has risked an annual forecast at the interim stage and, if past experience is anything to go by, the target should be beaten with something to hand. The home market continues to make most of the running with a 26.7 per cent rise in profits against just 5.8 per cent, at constant exchange rates, in overseas operations.

The U.S. acquisition of May, 1978, Mighty National Exterminators, has yet to do very much more than cover its financing charges but America is seen as a source of potential growth and further acquisitions are planned. The overall projection, conservative though it may prove, has already been largely discounted in the price which saw a dramatic recovery in the maximum prospective p/e is 16.7. Income attractions look somewhat limited since on the basis that Rentokil adopts, say, two and a half times cover on fully taxed earnings, the yield is 3.4 per cent.

comment

Once again, Rentokil has risked an annual forecast at the interim stage and, if past experience is anything to go by, the target should be beaten with something to hand. The home market continues to make most of the running with a 26.7 per cent rise in profits against just 5.8 per cent, at constant exchange rates, in overseas operations.

The U.S. acquisition of May, 1978, Mighty National Exterminators, has yet to do very much more than cover its financing charges but America is seen as a source of potential growth and further acquisitions are planned. The overall projection, conservative though it may prove, has already been largely discounted in the price which saw a dramatic recovery in the maximum prospective p/e is 16.7. Income attractions look somewhat limited since on the basis that Rentokil adopts, say, two and a half times cover on fully taxed earnings, the yield is 3.4 per cent.

comment

Once again, Rentokil has risked an annual forecast at the interim stage and, if past experience is anything to go by, the target should be beaten with something to hand. The home market continues to make most of the running with a 26.7 per cent rise in profits against just 5.8 per cent, at constant exchange rates, in overseas operations.

The U.S. acquisition of May, 1978, Mighty National Exterminators, has yet to do very much more than cover its financing charges but America is seen as a source of potential growth and further acquisitions are planned. The overall projection, conservative though it may prove, has already been largely discounted in the price which saw a dramatic recovery in the maximum prospective p/e is 16.7. Income attractions look somewhat limited since on the basis that Rentokil adopts, say, two and a half times cover on fully taxed earnings, the yield is 3.4 per cent.

comment

Once again, Rentokil has risked an annual forecast at the interim stage and, if past experience is anything to go by, the target should be beaten with something to hand. The home market continues to make most of the running with a 26.7 per cent rise in profits against just 5.8 per cent, at constant exchange rates, in overseas operations.

The U.S. acquisition of May, 1978, Mighty National Exterminators, has yet to do very much more than cover its financing charges but America is seen as a source of potential growth and further acquisitions are planned. The overall projection, conservative though it may prove, has already been largely discounted in the price which saw a dramatic recovery in the maximum prospective p/e is 16.7. Income attractions look somewhat limited since on the basis that Rentokil adopts, say, two and a half times cover on fully taxed earnings, the yield is 3.4 per cent.

comment

Once again, Rentokil has risked an annual forecast at the interim stage and, if past experience is anything to go by, the target should be beaten with something to hand. The home market continues to make most of the running with a 26.7 per cent rise in profits against just 5.8 per cent, at constant exchange rates, in overseas operations.

The U.S. acquisition of May, 1978, Mighty National Exterminators, has yet to do very much more than cover its financing charges but America is seen as a source of potential growth and further acquisitions are planned. The overall projection, conservative though it may prove, has already been largely discounted in the price which saw a dramatic recovery in the maximum prospective p/e is 16.7. Income attractions look somewhat limited since on the basis that Rentokil adopts, say, two and a half times cover on fully taxed earnings, the yield is 3.4 per cent.

comment

Once again, Rentokil has risked an annual forecast at the interim stage and, if past experience is anything to go by, the target should be beaten with something to hand. The home market continues to make most of the running with a 26.7 per cent rise in profits against just 5.8 per cent, at constant exchange rates, in overseas operations.

The U.S. acquisition of May, 1978, Mighty National Exterminators, has yet to do very much more than cover its financing charges but America is seen as a source of potential growth and further acquisitions are planned. The overall projection, conservative though it may prove, has already been largely discounted in the price which saw a dramatic recovery in the maximum prospective p/e is 16.7. Income attractions look somewhat limited since on the basis that Rentokil adopts, say, two and a half times cover on fully taxed earnings, the yield is 3.4 per cent.

comment

Once again, Rentokil has risked an annual forecast at the interim stage and, if past experience is anything to go by, the target should be beaten with something to hand. The home market continues to make most of the running with a 26.7 per cent rise in profits against just 5.8 per cent, at constant exchange rates, in overseas operations.

The U.S. acquisition of May, 1978, Mighty National Exterminators, has yet to do very much more than cover its financing charges but America is seen as a source of potential growth and further acquisitions are planned. The overall projection, conservative though it may prove, has already been largely discounted in the price which saw a dramatic recovery in the maximum prospective p/e is 16.7. Income attractions look somewhat limited since on the basis that Rentokil adopts, say, two and a half times cover on fully taxed earnings, the yield is 3.4 per cent.

comment

Once again, Rentokil has risked an annual forecast at the interim stage and, if past experience is anything to go by, the target should be beaten with something to hand. The home market continues to make most of the running with a 26.7 per cent rise in profits against just 5.8 per cent, at constant exchange rates, in overseas operations.

The U.S. acquisition of May, 1978, Mighty National Exterminators, has yet to do very much more than cover its financing charges but America is seen as a source of potential growth and further acquisitions are planned. The overall projection, conservative though it may prove, has already been largely discounted in the price which saw a dramatic recovery in the maximum prospective p/e is 16.7. Income attractions look somewhat limited since on the basis that Rentokil adopts, say, two and a half times cover on fully taxed earnings, the yield is 3.4 per cent.

comment

Once again, Rentokil has risked an annual forecast at the interim stage and, if past experience is anything to go by, the target should be beaten with something to hand. The home market continues to make most of the running with a 26.7 per cent rise in profits against just 5.8 per cent, at constant exchange rates, in overseas operations.

The U.S. acquisition of May, 1978, Mighty National Exterminators, has yet to do very much more than cover its financing charges but America is seen as a source of potential growth and further acquisitions are planned. The overall projection, conservative though it may prove, has already been largely discounted in the price which saw a dramatic recovery in the maximum prospective p/e is 16.7. Income attractions look somewhat limited since on the basis that Rentokil adopts, say, two and a half times cover on fully taxed earnings, the yield is 3.4 per cent.

comment

Once again, Rentokil has risked an annual forecast at the interim stage and, if past experience is anything to go by, the target should be beaten with something to hand. The home market continues to make most of the running with a 26.7 per cent rise in profits against just 5.8 per cent, at constant exchange rates, in overseas operations.

The U.S. acquisition of May, 1978, Mighty National Exterminators, has yet to do very much more than cover its financing charges but America is seen as a source of potential growth and further acquisitions are planned. The overall projection, conservative though it may prove, has already been largely discounted in the price which saw a dramatic recovery in the maximum prospective p/e is 16.7. Income attractions look somewhat limited since on the basis that Rentokil adopts, say, two and a half times cover on fully taxed earnings, the yield is 3.4 per cent.

comment

Once again, Rentokil has risked an annual forecast at the interim stage and, if past experience is anything to go by, the target should be beaten with something to hand. The home market continues to make most of the running with a 26.7 per cent rise in profits against just 5.8 per cent, at constant exchange rates, in overseas operations.

The U.S. acquisition of May, 1978, Mighty National Exterminators, has yet to do very much more than cover its financing charges but America is seen as a source of potential growth and further acquisitions are planned. The overall projection, conservative though it may prove, has already been largely discounted in the price which saw a dramatic recovery in the maximum prospective p/e is 16.7. Income attractions look somewhat limited since on the basis that Rentokil adopts, say, two and a half times cover on fully taxed earnings, the yield is 3.4 per cent.

comment

Once again, Rentokil has risked an annual forecast at the interim stage and, if past experience is anything to go by, the target should be beaten with something to hand. The home market continues to make most of the running with a 26.7 per cent rise in profits against just 5.8 per cent, at constant exchange rates, in overseas operations.

The U.S. acquisition of May, 1978, Mighty National Exterminators, has yet to do very much more than cover its financing charges but America is seen as a source of potential growth and further acquisitions are planned. The overall projection, conservative though it may prove, has already been largely discounted in the price which saw a dramatic recovery in the maximum prospective p/e is 16.7. Income attractions look somewhat limited since on the basis that Rentokil adopts, say, two and a half times cover on fully taxed earnings, the yield is 3.4 per cent.

comment

Once again, Rentokil has risked an annual forecast at the interim stage and, if past experience is anything to go by, the target should be beaten with something to hand. The home market continues to make most of the running with a 26.7 per cent rise in profits against just 5.8 per cent, at constant exchange rates, in overseas operations.

The U.S. acquisition of May, 1978, Mighty National Exterminators, has yet to do very much more than cover its financing charges but America is seen as a source of potential growth and further acquisitions are planned. The overall projection, conservative though it may prove, has already been largely discounted in the price which saw a dramatic recovery in the maximum prospective p/e is 16.7. Income attractions look somewhat limited since on the basis that Rentokil adopts, say, two and a half times cover on fully taxed earnings, the yield is 3.4 per cent.

comment

Once again, Rentokil has risked an annual forecast at the interim stage and, if past experience is anything to go by, the target should be beaten with something to hand. The home market continues to make most of the running with a 26.7 per cent rise in profits against just 5.8 per cent, at constant exchange rates, in overseas operations.

The U.S. acquisition of May, 1978, Mighty National Exterminators, has yet to do very much more than cover its financing charges but America is seen as a source of potential growth and further acquisitions are planned. The overall projection, conservative though it may prove, has already been largely discounted in the price which saw a dramatic recovery in the maximum prospective p/e is 16.7. Income attractions look somewhat limited since on the basis that Rentokil adopts, say, two and a half times cover on fully taxed earnings, the yield is 3.4 per cent.

comment

Once again, Rentokil has risked an annual forecast at the interim stage and, if past experience is anything to go by, the target should be beaten with something to hand. The home market continues to make most of the running with a 26.7 per cent rise in profits against just 5.8 per cent, at constant exchange rates, in overseas operations.

The U.S. acquisition of May, 1978, Mighty National Exterminators, has yet to do very much more than cover its financing charges but America is seen as a source of potential growth and further acquisitions are planned. The overall projection, conservative though it may prove, has already been largely discounted in the price which saw a dramatic recovery in the maximum prospective p/e is 16.7. Income attractions look somewhat limited since on the basis that Rentokil adopts, say, two and a half times cover on fully taxed earnings, the yield is 3.4 per cent.

comment

Once again, Rentokil has risked an annual forecast at the interim stage and, if past experience is anything to go by, the target should be beaten with something to hand. The home market continues to make most of the running with a 26.7 per cent rise in profits against just 5.8 per cent, at constant exchange rates, in overseas operations.

The U.S. acquisition of May, 1978, Mighty National Exterminators, has yet to do very much more than cover its financing charges but America is seen as a source of potential growth and further acquisitions are planned. The overall projection, conservative though it may prove, has already been largely discounted in

CURRENCIES, MONEY and GOLD

Pound & dollar steady

FRANKFURT — The dollar was again fixed lower against the DM at DM 1.8240 compared with DM 1.8237 on Wednesday...

THE POUND SPOT AND FORWARD

Table with columns: Aug. 2, Day's spread, Close, One month, % Three months, % p.a.

THE DOLLAR SPOT AND FORWARD

Table with columns: Aug. 2, Day's spread, Close, One month, % Three months, % p.a.

CURRENCY RATES

Table with columns: Aug. 1, Bank, Special Drawing Rights, European Currency Unit, Aug. 9, Bank of England, Morgan Guaranty Trust, Index, Changes %

CURRENCY MOVEMENTS

Table with columns: Aug. 9, Bank of England, Morgan Guaranty Trust, Index, Changes %

OTHER MARKETS

Table with columns: August 2, Argentina, Australia, Brazil, Canada, Denmark, France, Germany, Hong Kong, India, Italy, Japan, Korea, Kuwait, Luxembourg, Malaysia, New Zealand, Norway, Saudi Arabia, Singapore, South Africa, Switzerland, Taiwan, Thailand, Turkey, U.K., U.S., West Germany, Yugoslavia

EMS EUROPEAN CURRENCY UNIT RATES

Table with columns: Currency, % change from August 2, % change from August 1, Divergence limit %

EURO-CURRENCY INTEREST RATES

Table with columns: Term, Sterling, U.S. Dollar, Canadian Dollar, Dutch Guilder, Swiss Franc, West German Mark, French Franc, Italian Lira, Asian \$, Japanese Yen

EXCHANGE CROSS RATES

Table with columns: August 2, Pound Sterling, U.S. Dollar, Deutschmark, Japanese Yen, French Franc, Swiss Franc, Dutch Guilder, Italian Lira, Canadian Dollar, Belgian Franc

INTERNATIONAL MONEY MARKET

French paper rates unchanged

Signs that European interest rates may have reached a temporary peak were given further weight yesterday when the Bank of France bought FF 400 of first category paper...

GOLD

Further decline

Trading continued to be heavy in the London bullion market yesterday, and gold lost a further \$1 an ounce to close at \$292.29...

UK MONEY MARKET

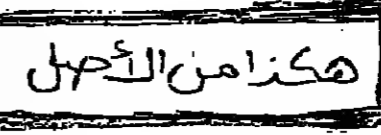
Small shortage

Bank of England minimum leading rate 14 per cent (since June 12, 1979). Day-to-day credit appeared to be in slightly short supply...

LONDON MONEY RATES

Table with columns: Aug. 2, Sterling, Local Authority deposits, Finance House deposits, Discount Deposits, Treasury Bills, Eligible Bills, Fine Trade Bills

Local authority and finance houses seven days notice, others seven days fixed. Long-term local authority mortgage...



The A. P. Moller Group

Dansk Boreelskab A/S A/S Dampskibsselskabet Svendborg Dampskibsselskabet af 1912 A/S

U.S. \$100,000,000

Medium-term loan for development of the Gorm Field on the Danish North Sea Continental Shelf

- FUNDS PROVIDED BY: MORGAN GUARANTY TRUST COMPANY OF NEW YORK, CITIBANK, N.A., BANK OF AMERICA NT & SA, CREDIT LYONNAIS, DEN DANSKE BANK AF 1871 A/S, COPENHAGEN HANDELSBANK, MANAGER AND AGENT: MORGAN GUARANTY TRUST COMPANY OF NEW YORK

This announcement appears as a matter of record only. July 1979



The Afrikaner Lease Limited

(Incorporated in the Republic of South Africa)

- Directors: D. A. Etheredge, O.B.E. (Chairman), J. S. Hammill, G. Langton, W. R. Lawrie, N. F. Oppenheimer; Alternate Directors: J. G. Edmeiston, M. S. McCrum, C. L. Sunter

Interim Report for the twelve months ended June 30 1979

CHANGE OF YEAR END. As stated in an announcement published on July 10, 1979, in view of the arrangements concluded with Vaal Reefs Exploration and Mining Company Limited (Vaal Reefs) referred to below, the year end of the company has been changed from June 30 to December 31 to coincide with the year end of Vaal Reefs...

FINANCIAL RESULTS

Net expenditure for the nine months ended March 31 1979 amounting to R362 000 (year ended June 30 1978: R1 055 000) has been capitalised and charged to mining assets...

DIVIDENDS

No dividends were declared or paid during the year under review.

SUBSIDIARY COMPANY

The company's wholly-owned subsidiary, Western Klerksdorp Investments Limited, has no assets or liabilities and consequently a group interim report has not been prepared.

For an on behalf of the Board D. A. Etheredge | Directors J. S. Hammill

Administrative and Technical Advisers and Secretaries: Anglo American Corporation of South Africa Limited, 44, Main Street, Johannesburg 2001.

Transfer Secretaries: Consolidated Share Registrars Limited, 62, Marshall Street, Johannesburg 2001.

Charter Consolidated Limited, P.O. Box 102, Charter House, Park Street, Ashford, Kent TN24 5EQ, Johannesburg.

August 3, 1979.

INTERNATIONAL COMPANIES and FINANCE

Companies and Markets

AMERICAN NEWS

ITT decides to go it alone in Europe

BY JOHN WYLES IN NEW YORK

INTERNATIONAL Telephone and Telegraph yesterday announced that it would take all necessary steps to strengthen its struggling European consumer electronics business...

the business, which operate in 14 European countries.

These discussions, coupled with other divestiture moves by Mr. Hamilton, so upset Mr. Harold Genesee, the company's chairman and moving spirit for 19 years...

Mr. Hamilton's dismissal was quickly followed by the resignation of Mr. Gerhard Andlinger, who had been chairman of ITT Europe for just four months...

Rumours about Mr. Hamilton's intentions created considerable disaffection among ITT's European managers...

This approach is precisely in line with policies traditionally favoured by Mr. Genesee, who since his retirement as chief executive at the start of 1978, was supposed to have pulled back from determining the company's overall direction.

However, Mr. Araskog, now the chief executive, was Mr. Genesee's chosen successor rather than Mr. Hamilton, who had been the choice of the Board. Mr. Araskog is said to share Mr. Genesee's preference for trying to turn around ailing businesses rather than acknowledging their weakness by selling them off or bringing in equity partners.

"an outside solution."

ITT's consumer appliance businesses had total sales last year of \$922m and losses of \$11m. In the previous year losses were \$14m, and notwithstanding Mr. Genesee's efforts as chief executive, their contribution has been marginal for several years.

Terry Dodsworth adds from Paris: Last night, Thomson-Brandt said that it could neither confirm nor deny the reports from the U.S. that its relations with ITT were on a normal commercial basis, it added.

The Thomson group has in the past had close contacts with ITT in France, where it took over one of the U.S. company's telecommunications subsidiaries.

Sharp demand pushes DM bond prices higher

BY FRANCIS GHILES

STRONG DEMAND for Deutsche-Mark denominated foreign bonds continued yesterday, pushing prices up by an average of 1/2 point. In the domestic market, the Bundesbank sold DM196m worth of paper to satisfy investor demand.

The strength of demand for foreign D-Mark paper allowed Deutsche Bank to cut the coupon it is offering on the DM100m 10-year bond for the Asian Development Bank for the second time in two days.

Final terms include a coupon of 7 1/2 per cent and a price of 99 1/2 instead of the indicated 99 1/2. The same bank announced a DM50m convertible for Uny with a coupon of 6 1/2 per cent. This issue, which is expected to be priced at par, includes a bullet maturity of 5 1/2 years.

Such was the strength of demand yesterday that the lead manager was not ruling out a cut in the coupon when it is finally set. The DM100 private placement

for the Kingdom of Sweden, which has been arranged by Dresdner Bank, was priced at 100 1/2. Other terms include a coupon of 7 1/2 per cent and a maturity of 10 years. It quickly moved to 101 1/2 in early market trading.

Westdeutsche Landesbank is arranging a DM 50m private placement for the Girozentrale und Bank der Oesterreichischen Sparkassen AG of Vienna. This five-year bullet issue includes a coupon of 6 1/2 per cent and will be priced at par.

The launching of these latest issues brings the total volume of new foreign Deutsche Mark bonds floated since the last meeting of the German Capital Markets Sub-Committee just over a week ago to DM 600m.

That meeting decided on a new issue volume for the coming month of DM 200m. The Sub-Committee also agreed on two private placements going ahead, market conditions permitting, they have been launched this week. The third issue launched this week was for a supra-

national borrower, the World Bank, which does not need to be technically included in the calendar.

Despite the relative currency stability of the past week, widespread buying of Deutsche Mark bonds from outside Germany has developed. Buyers are investing in new issues, even when these offer lower yields than foreign Deutsche Mark bonds floated recently, as it is virtually impossible to pick up any sizeable amounts of Deutsche Mark foreign paper in the secondary market.

In the Swiss franc sector, Union Bank of Switzerland is arranging a convertible for Tokyu Car Corporation. The amount is SwFr 35m for five years and the borrower is paying a coupon of 4 1/2 per cent. These terms are final.

In the dollar sector of the market, prices were stable, the firm undertone of the market being helped by the good mood in the New York bond market. Trading volume remained minimal.

\$700m package for Yugoslavia

BY JOHN EVANS

A \$700M INTERNATIONAL financial package for Yugoslavia, to support the supply of a cold rolling mill complex by Davy Loewy Ltd, the Sheffield steel processing equipment group, was signed in London yesterday.

The complex is to be built in Smederevo for Metalurški Kombinat Smederevo (MKS), one of the largest iron and steel works in Yugoslavia.

The financing comprises a \$500m 15-year loan, backed by the Export Credits Guarantee Department, for equipment and services supplied by Davy Loewy, and a \$200m Eurocurrency 12-year facility to finance local and other costs.

Grindlay Brantley arranged the package. The two loans were provided by a group of banks from nine countries. The financing was arranged through Udruzena Beogradska Banka, the largest commercial banking organisation in Yugoslavia, which acted as guarantor of the ECGD backing and as borrower under the Eurocurrency loan.

The Eurocurrency facility incorporates the terms set by the major syndicated borrowing. The maturity is 12 years, with a five-year grace period, at a spread of 1 per cent. The total cost of the mill complex will be \$600m. In addition to the basic package, Grindlay Brantley has arranged a \$50m syndicated bond facility on behalf of Davy-Loewy.

That decision gave Bell's only major competitor, CNCP-Telecommunications, the right to connect customers to CNCP long-distance telephone lines through Bell's local system in Quebec and Ontario.

Cabinet rejects Bell Canada appeal

BY VICTOR MACKIE IN OTTAWA

THE Canadian Government has rejected a Bell Canada appeal against an official decision that will expose Bell's long-distance business telecommunication system to its first vigorous competition.

In a decision made public by Mr. David MacDonald, the Communications Minister, the Cabinet rejected Bell Canada's appeal against a recent decision by the Canadian Radio-Television and Telecommunications Commission (CRTC).

Mr. David MacDonald, the Communications Minister, said that the decision gave Bell's only major competitor, CNCP-Telecommunications, the right to connect customers to CNCP long-distance telephone lines through Bell's local system in Quebec and Ontario.

That decision gave Bell's only major competitor, CNCP-Telecommunications, the right to connect customers to CNCP long-distance telephone lines through Bell's local system in Quebec and Ontario.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices published on the second Monday of each month.

Table with columns: STRAIGHTS, Issued, Bid, Offer, Change, Yield. Lists various international bonds like Alcoa of Australia, Alka-Hoerwath, etc.

Closing prices on August 2

Table with columns: OTHER STRAIGHTS, Issued, Bid, Offer, Change, Yield. Lists various international bonds like Nordic 1 Bk, Avco Fin, etc.

FLUATING RATE NOTES

Table with columns: Spread, Bid, Offer, Cdn, Cpn, Yield. Lists various floating rate notes like BFG Fin, BNOE B, etc.

DEUTSCHE MARK STRAIGHTS

Table with columns: Issued, Bid, Offer, Change, Yield. Lists various Deutsche Mark bonds like American Ex, Argentina, etc.

SWISS FRANC STRAIGHTS

Table with columns: Issued, Bid, Offer, Change, Yield. Lists various Swiss Franc bonds like Alka-Hoerwath, Australia, etc.

CONVERTIBLE BONDS

Table with columns: Conv. Price, Bid, Offer, Change, Yield. Lists various convertible bonds like Alfa Romeo, Ciba-Geigy, etc.

Advance at General Dynamics

By Our New York Staff

GENERAL DYNAMICS, the widely diversified defence contractor, reported a sharp improvement in operating earnings in the second quarter. Profits were \$47.8m or \$1.77 a share, up from \$35.7m or \$1.35 a share last year.

Last year's figures exclude a net loss on settlement of the SSN 688 contract, which transformed profits into a loss of \$156m.

Sales for this year's second quarter were \$1,020m, up on last year's \$789m.

Mr. David Lewis, chairman, said that the results were due to a strong performance across the board, including the aerospace, marine, materials service and coal divisions.

Sales and earnings were also up in the company's telecommunications and data products divisions.

The F-15 fighter continues to hold the foremost among the company's major products. The first two aircraft were delivered to the Dutch air force in the quarter, and Lewis said he was optimistic that the F-15 would be competitive for orders by Australia, Canada and Spain.

Loews to lift CNA stake

BY DAVID LASCELLES IN NEW YORK

LOEWS CORPORATION, the fast-expanding industrial and financial concern, is to consolidate its interests in two of its major activities—insurance and theatres.

The New York-based company plans to raise its stake in CNA Financial Corporation, the Chicago insurer, from 57 per cent to 76 per cent at a cost of \$150m. It will do this by means of a tender offer for 6m CNA shares at \$14 each, and 3m shares of preferred stock at \$20 each.

CNA, which said it would take no stand on the offer, is one of the country's largest insurance companies, with assets of about \$7bn. Last year, it contributed about half of Loews's earnings of \$151m.

Loews also intends to make a tender offer for 2 1/2m of the presently outstanding Loews Theatre warrants at \$25 each, reserving the right to buy an extra 1m warrants if they are tendered. Total cost of this deal would be about \$62.5m.

Loews would not say how it proposes to finance these deals. However, according to the Value Line Investment survey, the company has about \$170m of cash temporarily invested in money market securities, and a further \$200m worth of stock in unaffiliated companies.

Loews also intends to make a tender offer for 2 1/2m of the presently outstanding Loews Theatre warrants at \$25 each, reserving the right to buy an extra 1m warrants if they are tendered. Total cost of this deal would be about \$62.5m.

Loews would not say how it proposes to finance these deals. However, according to the Value Line Investment survey, the company has about \$170m of cash temporarily invested in money market securities, and a further \$200m worth of stock in unaffiliated companies.

CNA, which said it would take no stand on the offer, is one of the country's largest insurance companies, with assets of about \$7bn. Last year, it contributed about half of Loews's earnings of \$151m.

Loews also intends to make a tender offer for 2 1/2m of the presently outstanding Loews Theatre warrants at \$25 each, reserving the right to buy an extra 1m warrants if they are tendered. Total cost of this deal would be about \$62.5m.

Loews would not say how it proposes to finance these deals. However, according to the Value Line Investment survey, the company has about \$170m of cash temporarily invested in money market securities, and a further \$200m worth of stock in unaffiliated companies.

CNA, which said it would take no stand on the offer, is one of the country's largest insurance companies, with assets of about \$7bn. Last year, it contributed about half of Loews's earnings of \$151m.

Loews also intends to make a tender offer for 2 1/2m of the presently outstanding Loews Theatre warrants at \$25 each, reserving the right to buy an extra 1m warrants if they are tendered. Total cost of this deal would be about \$62.5m.

Loews would not say how it proposes to finance these deals. However, according to the Value Line Investment survey, the company has about \$170m of cash temporarily invested in money market securities, and a further \$200m worth of stock in unaffiliated companies.

CNA, which said it would take no stand on the offer, is one of the country's largest insurance companies, with assets of about \$7bn. Last year, it contributed about half of Loews's earnings of \$151m.

Loews also intends to make a tender offer for 2 1/2m of the presently outstanding Loews Theatre warrants at \$25 each, reserving the right to buy an extra 1m warrants if they are tendered. Total cost of this deal would be about \$62.5m.

Loews would not say how it proposes to finance these deals. However, according to the Value Line Investment survey, the company has about \$170m of cash temporarily invested in money market securities, and a further \$200m worth of stock in unaffiliated companies.

CNA, which said it would take no stand on the offer, is one of the country's largest insurance companies, with assets of about \$7bn. Last year, it contributed about half of Loews's earnings of \$151m.

Loews also intends to make a tender offer for 2 1/2m of the presently outstanding Loews Theatre warrants at \$25 each, reserving the right to buy an extra 1m warrants if they are tendered. Total cost of this deal would be about \$62.5m.

Loews would not say how it proposes to finance these deals. However, according to the Value Line Investment survey, the company has about \$170m of cash temporarily invested in money market securities, and a further \$200m worth of stock in unaffiliated companies.

Earnings move up at Domtar

By Our Financial Staff

DOMTAR, the Montreal-based pulp, paper, chemicals and building materials group, yesterday reported a strong upturn in profit margins in the second half of the year. Earnings for the full year are 75 per cent ahead at \$64.8m, or \$4.32 against \$24.6 a share, on sales of \$1bn compared with \$955m last time.

In the second half, with sales unchanged from the comparable period at \$316m, earnings leapt by 40 per cent to \$31.3m or from \$1.02 to \$1.42 a share.

First half earnings were doubled at \$43.3m or \$2.80 a share, after sales had moved up from \$562m to \$715m.

Domtar says that the improvement came from higher fine paper sales, better selling prices for pulp as well as from the favourable currency exchange rates on exports of all paper products, including newsprint.

Profits from the corrugated liner board business recently acquired from Reed Limited, as well as the better profit margins enjoyed by Domtar's other corrugated and container board business, also boosted the results.

Profits at Domtar Chemicals improved following a higher sales volume, but Canadian operations of the construction materials group were hurt by lower sales, tighter margins and by start-up costs for a new plant at Cornwall.

Domtar Gypsum America launched a \$5m expansion programme for its gypsum wall-board plants in Long Beach and Antioch, California. This will boost capacity by 32 per cent.

Higher oil prices hit Petrobras

BY DIANA SMITH IN BRASILIA

PETROBRAS, the Brazilian oil monopoly, now considered number 38 in the world in terms of size, has declared a Cr 9bn (\$348m) net profit for the first half of 1979. This represents a drop of 14.48 per cent compared with the January-June 1978 period. Inevitably, the cause of the decrease is the higher price of imported oil, which will cost Petrobras an estimated \$7bn this year, compared with \$49bn in 1978.

The OPEC increases have been exacerbated by Brazil's

continual mini-devaluations, which have lowered the Cruzeiro against the dollar by over 2 1/2 per cent since the beginning of this year.

Petrobras's gross sales for the first half totalled Cr 133bn (\$5.12bn), with net sales of Cr 57bn (\$3.35bn). Since January, domestic prices of oil derivatives have suffered three increases, the latest on July 20.

The latest increase pushed the prices of diesel and fuel oil up by 50 per cent, to Cr 570 (33 U.S. cents) a litre, and Cr 2 a kilo (11 U.S. cents) respectively.

For the first half, earnings are now down by 9.4 per cent to \$6.6m, with share earnings of 73 cents against 81 cents. Sales have put on 14 per cent to \$364.7m.

Further fall for Hoover

BY OUR FINANCIAL STAFF

HOOVER COMPANY, the worldwide domestic appliance group which holds 53 per cent of Hoover UK, reported a further fall in earnings in the second quarter of the current year.

Total net income dropped by 22 per cent to \$4.5m, with share earnings at 36 cents

against 44 cents. At \$182.4m, sales edged forward from the \$176.2m of the comparable quarter.

For the first half, earnings are now down by 9.4 per cent to \$6.6m, with share earnings of 73 cents against 81 cents. Sales have put on 14 per cent to \$364.7m.

Total net income dropped by 22 per cent to \$4.5m, with share earnings at 36 cents

against 44 cents. At \$182.4m, sales edged forward from the \$176.2m of the comparable quarter.

For the first half, earnings are now down by 9.4 per cent to \$6.6m, with share earnings of 73 cents against 81 cents. Sales have put on 14 per cent to \$364.7m.

VONTOSOL EUROSOND INDICES table with columns: PRICE INDEX, AVERAGE YIELD, etc.



Takeda Chemical Industries, Ltd.

武田薬品工業株式会社

FINANCIAL SUMMARY FOR THE YEAR ENDED 31st MARCH, 1979 table with columns: 1978, 1979, Yen Millions.

FINANCIAL SUMMARY FOR THE YEAR ENDED 31st MARCH, 1979 table with columns: 1978, 1979, Yen Millions.

Beecham International Holdings S.A. advertisement with details on convertible debentures and group limited information.

Beecham Financiering B.V. advertisement with details on convertible guaranteed bonds and group limited information.

BRASHNEST S.A. advertisement with details on net asset value and depositary share information.

Advertisement for 'Hikamun al-Ahwal' with details on financial services and contact information.

# DC-10 grounding and fuel costs hit KLM earnings

By Charles Batchelor in Amsterdam

SHARPLY HIGHER fuel costs and the grounding of the DC-10 fleet, the results of KLM Royal Dutch Airlines for the first quarter of 1979/80. Operating costs rose more rapidly than revenues. Profits at the net and operating levels were about 40 per cent down on the same period of last year, it said in its quarterly report.

Despite these problems the airline is cautiously optimistic about the future and expects a further growth in air traffic.

KLM reported operating profit of £1.32bn (£182m) in the April to June period compared with £1.52bn last year. The net interest charge was slightly lower at £1.44bn compared with £1.55bn in 1978/79. The absence of any income from the sale of aircraft and a decline in extra-

ordinary income reduced net profit to £1.30bn from £1.50bn. Operating revenue rose 8.4 per cent to £1.76bn (\$394m) while costs, including depreciation, rose by 12.2 per cent to £1.75bn. Profit per £1.00 nominal share fell to £1.672 from £1.492 after a rise in the number of shares by about 800,000 to 3.92m. Profit per share is calculated after allowing £1.375m payment to the holders of the 5 per cent preference shares.

Traffic in tonne/kilometres rose by 12 per cent on the same quarter of last year while production rose 3 per cent. Scheduled passenger traffic rose 17 per cent, freight traffic by 11 per cent and postal traffic by 8 per cent.

The volume of charter traffic continued to decline, falling by 23 per cent. The load factor rose to 63.5 per cent from 58.1 per cent. This figure was influenced by the fact that KLM had to ground its seven DC-10s for two weeks and could not afterwards use them fully because of the continuing ban in the U.S.

The 37.2 per cent rise in fuel costs was the major cause of the decline in KLM profits since it could only be partly compensated for in higher tariffs.

The direct costs of the grounding of the DC-10s cut £1.3m off profits and the indirect costs have yet to be calculated.

Last revenues from the maintenance of DC-10s for other airlines were greater than the losses from cancelled flights since KLM was able to substitute other aircraft.

# Deutsche Bank first-half profit squeezed

By Our Bonn Staff

DEUTSCHE BANK, faced with a drop in business volume and lower operating profits, is hoping that the latest increase in the German discount rate will improve its interest margins during the second half of 1979.

In the first half, the overall business volume recorded by Deutsche Bank, the balance sheet total as well as endowment liabilities, fell by 3.1 per cent to DM 89.5bn compared to the end of last year.

Deutsche Bank, West Germany's largest commercial bank, blames the drop in turnover on a corresponding fall in funds from outside sources and only modest (2.7 per cent) growth in credit volume. Operating profits meanwhile were some 6 per cent below the six month average for 1978.

In the past, increases in business volume have served to offset the decline in interest margins. But now the bank is looking to the 1 per cent increase in the discount rate, announced by the Bundesbank last month, to improve the situation.

Certainly there was room for improvement in interest margins during the first half. The interest surplus increased in the first half of 1979 by 8.6 per cent (reaching DM 1.13bn) over the 1978 six month average. But this growth was purely the result of a 9 per cent increase in turnover.

Savings deposits rose by only 1.2 per cent in the first half after strong growth in 1978. Deutsche Bank said yesterday that the lapse in business volume of the parent had been balanced within the group by substantial increased turnover in the Luxembourg subsidiary, Deutsche Bank Compagnie Financière Luxembourg and the continued growth of the group's mortgage banks.

Meanwhile, the Bayerische Vereinsbank also reported yesterday that business volume fell during the first half by DM 578m to DM 23.7bn.

# ACCOUNTING SYSTEMS

## East meets West at SHI

By Richard C. Hanson in Tokyo

SUMITOMO Heavy Industries, one of Japan's troubled big-six shipbuilders, this week reported that its consolidated net loss for the last fiscal year ballooned to ¥25,600m (about \$118m)—all the more surprising since two months ago it announced a modest parent company net profit of ¥433m (\$19m) for the year.

But the Japanese financial press and stock exchanges hardly blinked an eyelid, just another example of what happens when Eastern accounting methods meet West.

The explanation for the huge loss upon consolidation is fairly straightforward. Sumitomo since the early 1970s has used generally accepted American Securities and Exchange Commission accounting practices in

compiling its consolidated profit/loss statements. For the year which ended last March 31 this meant, for example, that sums which were counted as profit under Japanese rules became losses under the U.S. standards. Deferred ship payments in the consolidated account became a ¥6.4bn (\$30m) loss, while counting as a ¥7bn profit in the Japanese, parent accounts, translation of long-term foreign currency liabilities a ¥5.6bn loss on the SEC basis and about a ¥7bn plus for the parent, reserves for potential losses on plant contracts a ¥1.5bn loss against an equal profit, and so on.

Sumitomo Heavy is doing badly. Sales last year on a consolidated basis were down 26 per cent to ¥219.64bn (\$1bn), and for the parent alone were down 30.6 per cent to ¥191.94bn. The ¥25,600m consolidated net loss compares with a ¥65m year-ago profit. Shipbuilding sales were down 70 per cent to ¥29,500m and export sales were cut 50 per cent to ¥72.4bn.

During the year the company pared its workforce down to 8,637 from 11,124 at the end of the prior year.

About 90 per cent of the consolidated loss can be attributed to the parent company. Two other producing companies are included. Last year saw shipbuilders scrambling for orders, offering ships at 40-50 per cent below cost in many cases, in order to keep yards operating. Under Japanese accounting methods this type of loss-producing sale does not have to

# Increase for Eastern Asia Navigation

By Philip Bowling in Hong Kong

EASTERN ASIA Navigation, the largest quoted part of Sir Yue-Kong Pao's World Wide Shipping Group, reported a 9 per cent increase in net profit before extraordinary items for the year ending March, to HK\$192m (US\$37m).

The results were not as good as those reported the previous day from World International, another part of the World Wide group, at which profits were up 17 per cent to HK\$363.6m and a dividend increase and one-for-ten scrip issue were recommended.

However, it seems that the quoted parts of the World Wide Group have done better than the unquoted ones. The Hong Kong and Shanghai Banking Corporation annual report earlier stated that a smaller dividend had been taken from World Maritime, a major unquoted part of World Wide which is jointly owned by the HK Bank and Sir Yue-Kong's companies.

# SINGAPORE NEWS

## Far East Levingston in the red

By Georgie Lee in Singapore

THE DOWNSLIDE in the performance of Far East Levingston, the Singapore rig and shipbuilder, continued in the six months to June, contrary to expectations.

The company, which had expected to show an upturn in 1979, has again ended up in the red, to the tune of S\$3m (U.S.\$1.4) for the six months to June.

Far East Levingston said that the loss was suffered principally on a pipeline barge completed in June this year. This project was secured in May, 1978 against severe international competition at a low price.

The company explained that as further contracts were not secured until November and December last year, the over-hedge contributions which it was hoped other work would make did not materialise for half of the construction period of the pipeline barge. As a result, this vessel had to absorb a high portion of the company's overhead expenses.

The second half of the year, Far East Levingston said, will not see any improvement, as the two mini-hulk carriers to be delivered in that period have incurred losses as forecast in the 1978 accounts.

Although a S\$5m loss on these vessels was provided for in the accounts, losses beyond this amount are expected by the company.

In the rigbuilding sector, which is Far East Levingston's main area of activity, the company has successfully delivered two jack-up rigs recently, making a small profit in each case. It is building two more jack-up rigs for delivery early next year.

The company feels that if recent increased activity in the oil industry spreads from its present location in the U.S. to the Middle East and Asia, it

# Siemens gains by rise in orders

By Roger Boyes in Bonn

SIEMENS, the leading West German electrical and electronics group, raised its net profits for the first nine months of the 1978-79 year by DM 5m (0.12m) to DM 43m (\$27m), despite the financial burden of Kraftwerk Union, its power station subsidiary.

Siemens buoyed mainly by strong domestic demand, recorded a 6 per cent rise in new orders, an unusually high increase. There are signs, too, that the Kraftwerk, which was fully consolidated into Siemens results for the first time last year, is having less of a depressing effect on overall order levels.

If KWU, which has been hit among other things by the collapse of its nuclear plant contract with Iran, is excluded from the latest figures, orders would have risen by 8 per cent. But this represents a steady improvement in KWU's position within the group. In the first half of the 1978-79 business year, for example, from October 1978 to September 1979, KWU depressed orders by 6 per cent.

Domestic orders in the first nine months were up by 11 per cent reaching DM 10.7bn while overseas orders grew at the more sluggish rate of 2 per cent to DM 11.3bn.

The main growth area continues to be the data and information systems division which registered a 25 per cent rise in turnover. The largest of Siemens' seven main divisions, the energy and power equipment section, showed an 11 per cent increase in turnover. Siemens' overall turnover, excluding KWU, was up by 3 per

cent. Including the power plant engineering company, however, turnover was roughly unchanged at DM 19.7bn (\$10.77bn), compared to DM 19.9bn in the first nine months of 1978-79.

Deutsche Babcock AG, the West German industrial installation builder, expects "satisfactory" earnings this year following a rise in turnover of 5 per cent to DM 2.02bn in the first nine months. Last year—ended September 30—Babcock reported net profits of DM 36.5m against DM 29.2m.

Babcock's incoming orders rose 22 per cent to DM 4.46bn in the first three quarters of 1978-79. Order backlog stood at DM 10.8bn compared to DM 9.69bn a year earlier. Foreign orders made up 57 per cent of the new orders received.

# Norsk Hydro in Austrian deal

By Fay Gjester in Oslo

NORSK-HYDRO, the Norwegian industrial and energy concern, is seeking permission from the Norwegian oil ministry to farm out part of its shareholdings in two Norwegian oil blocks to OMV, the Austrian state oil company. It hopes for a reply from the Ministry in about a month.

A spokesman for Hydro said the company wanted to reduce its commitments on these blocks—18/10 and 2/6—in order to give higher priority to investment in acreage which it was allocated in the recent fourth round, and in fifth round acreage—north of the 62nd Parallel—which it has applied for.

Hydro's present stake in the 18/10 and 2/6 blocks is 26.8 per cent.

# Aer Lingus confirms action by Dunfee Hotels

By Stewart Dalby in Dublin

AER LINGUS, the Irish state-owned airline, has confirmed that legal action is pending over the alleged agreement for the airline's wholly owned U.S. subsidiary, Dunfee Hotels, to purchase 41.7 per cent of the airline's parent CIGA (Compagnia Italiana dei Grandi Alberghi).

The company's annual general report says in a footnote "the subsidiary company has initiated legal action to counter a claim by a third party."

Elaborating on this in Dublin, Aer Lingus said that Dunfee is seeking in a petition filed in New Hampshire a declaratory judgment to the effect that there is no binding agreement on it to purchase the stake

# City branch for Girozentrale


By Paul Lendvai in Vienna

GIROZENTRALE, THE central institute of the Austrian savings banks network, is to open a branch in London. This will be the first time an Austrian bank has set up a proper branch in the UK.

As a first step, the savings bank will set up a representative office in the City next month which in 1980 should be converted into a proper branch, with a projected staff of 20 to 25.

Another major Austrian bank, Oesterreichische Laenderbank opened a representative office in London two years ago. It claims to have increased commercial business with London by 37 per cent during the past two years.

This announcement appears as a matter of record only.



## Australian Resources Development Bank Limited

(Incorporated in the State of Victoria)

US \$ 30,000,000

9% per cent. Deposit Notes due 1984

Swiss Bank Corporation (Luxembourg) Limited

Algemene Bank Nederland N.V.	Banque Bruxelles Lambert S.A.
Banque Nationale de Paris	Banque de Paris et des Pays-Bas
Commerzbank Aktiengesellschaft	Credit Commercial de France
DBS - Daiwa Securities International Limited	Kreditbank International Group
Morgan Stanley International Limited	Société Générale de Banque S.A.

July 1979

## The war that never ends

Why British are a peaceful people. When a war is over we like to consign it to the history books—and forget it.

But for some the wars live on. The disabled from both World Wars and from lesser campaigns, now all too easily forgotten; the widows, the orphans and the children—for them their war lives on, every day and all day.

In many cases, of course, there is help from a pension. But there is a limit to what any Government Department can do.


This is where Army Benevolent steps in. With understanding. With a sense of urgency... and with practical, financial help.

To us it is a privilege to help these brave men—and women, too. Please will you help us to do more? We must not let our soldiers down.

## The Army Benevolent Fund

For soldiers, ex-soldiers and their families in distress

Dept. FT, Duke of York's HQ, London SW3 4SP



## WILLIAMS & GLYN'S REGISTRARS LIMITED

Williams & Glyn's Registrars Limited have been appointed Registrars of SUN LIFE ASSURANCE SOCIETY LIMITED

Transfers and other documents for registration may be lodged and enquiries made at:

Williams & Glyn's Registrars Limited  
PO Box 27  
31 St Andrew Square  
Edinburgh EH2 2AB  
Telephone: 031-556 8555

or

Williams & Glyn's Registrars Limited  
16 Old Broad Street  
London EC2N 1DL  
Telephone: 01-588 6234

These Notes have been sold outside Canada and the United States of America. This announcement appears as a matter of record only.

July, 1979

Can. \$25,000,000

## Avco Financial Services Canada Limited

10 1/2% Guaranteed Notes due 1986

Unconditionally Guaranteed as to Payment of Principal, Premium, if any, and Interest by

## Avco Financial Services, Inc.

Kidder, Peabody International Limited	Salomon Brothers International
Banque Nationale de Paris	Banque de Paris et des Pays-Bas
Dresdner Bank Aktiengesellschaft	Greenshields Incorporated
Swiss Bank Corporation (Overseas) Limited	Wood Gundy Limited

Algemene Bank Nederland N.V.	AMAS S.A.	American Express Bank International Group	A. E. Ames & Co. Limited	Amsterdam-Rotterdam Bank N.V.
Arnold and S. Bleichroeder, Inc.	Bache Halsey Stuart Shields	Banca Commerciale Italiana	Banca del Gottardo	
Banca Nazionale del Lavoro	Banco di Roma	Bank Julius Baer International	Bank Gutzwiller, Kurz, Bungenier (Overseas)	
Bank Mees & Hope NV	Banque Bruxelles Lambert S.A.	Banque Française du Commerce Extérieur		
Banque Générale du Luxembourg S.A.	Banque de l'Indochine et de Soez	Banque Internationale à Luxembourg S.A.		
Banque Louis-Dreyfus	Banque de Neulize, Schlumberger, Mallet	Banque Paricente	Banque de Paris et des Pays-Bas (Suisse) S.A.	
Banque Populaire Suisse S.A. Luxembourg	Banque Privée de Gestion Financière B.P.G.F.		Hanque Rothschild	
Banque de l'Union Européenne	Banque Worms	Baring Brothers & Co., Limited	Bayerische Hypotheken- und Wechsel-Bank	
Bayerische Landesbank Girozentrale	Bayerische Vereinsbank	Berliner Handels- und Frankfurter Bank		
Blyth Eastman Dillon & Co. International	BSI Underwriters	Burns Fry	Cazenove & Co.	Clariden Bank
Compagnie de Banque et d'Investissements (Underwriters) S.A.	Compagnie Monégasque de Banque S.A.	Contioental Illinois		
Comptoy Bank	Credit Commercial de France	Credit Industriel d'Alsace et de Lorraine	Credit Industriel et Commercial	
Credit Lyonnais	Credit Suisse First Boston	Creditanstalt-Bankverein	Delbrück & Co.	
Deutsche Girozentrale	The Development Bank of Singapore	DG BANK	Dillon, Read Overseas Corporation	
-Deutsche Kommunalbank-	Effectenbank-Warburg	Deutsche Genossenschaftsbank		
Drexel Burnham Lambert	Finacor	Eurogest S.p.A.	Eurobiliar S.p.A.	
European Banking Company	First Chicago	Robert Fleming & Co.	Fuji International Finance Limited	
Genossenschaftliche Zentralbank AG	Antony Gibbs Holdings	Girozentrale und Bank der österreichischen Sparkassen		
Goldman Sachs International Corp.	Hambros Bank	Handelsbank N.W. (Overseas)	Hessische Landesbank Jilil Samuel & Co. - Girozentrale -	
E. F. Hutton & Co. N.V.	IBJ International	Kleinwort, Benson	Kreditbank N.V.	Kuhn Loeb Lehman Brothers International
Kuwait Foreign Trading, Contracting & Investment Co. (S.A.E.)				Kuwait International Investment Co. s.a.k.
Lloyds Bank International	Loeb Rhoades, Hornblower International	Lombardini S.p.A.	McLeod, Young, Weir & Company	
Merrill Lynch International & Co.	Mitsubishi Bank (Europe) S.A.	Sauvel Montagu & Co.	Morgan Grenfell & Co.	
Morgan Stanley International	Nesbitt, Thomson Limited	Nomura Europe N.V.	Norddeutsche Landesbank Girozentrale	
Nordic Bank	Sal. Oppenheim jr. & Cie.	Orion Bank	Pierson, Heldring & Pierson N.V.	Pitfield Muckay Ross
Richardson Securities of Canada (U.K.) Ltd.	Rothschild Bank AG	N. M. Rothschild & Sons	Saniva Bank (Underwriters)	
Sanyo Securities Co.,	Saudi Arabian Investment Co. Inc.	Scandinavian Bank	Schroder, Münchmeyer, Hengst & Co.	
J. Henry Schroder Wagge & Co.	Schroders & Chartered		Skandinaviska Enskilda Banken	
Smith Barney, Harris Upham & Co.		Société Bancaire Barclays (Suisse) S.A.	Société Générale	
Société Générale Alsacienne de Banque	Société Générale de Banque S.A.	Sparekassen SDS	Strauss, Turnhill & Co.	
Sumitomo Finance International	Svenska Handelsbanken	Verains- und Westbank	J. Vontobel & Co. Ltd.	
M. M. Warburg-Brinckmann, Wirtz & Co.	S. G. Warburg & Co. Ltd.	Warley	Westdeutsche Landesbank Girozentrale	
	Williams, Glyn & Co.	Dean Witter Reynolds International		

WORLD STOCK MARKETS

Companies and Markets

Slightly firmer early Wall St. tendency

INVESTMENT DOLLAR PREMIUM \$3.90 to \$1-24 1/4 (24%) Effective \$2.2680-3 1/4 (31%) WITH INSTITUTIONAL INVESTORS continuing a programme of portfolio switching...

The Dow Jones Industrial Average was a marginal 0.34 off at 850.00 at 1 p.m. but the NYSE All Common Index gained 11 cents more to 859.47 and rises outpaced declines by a eight-point margin...

Analysts said traders drew some encouragement from a WBSR House hearing on the Carter Administration is committed to a steady economic policy...

Ramedia Inns topped the active list and picked up, to \$12 1/2. It has received New Jersey casino control commission approval to build a hotel casino in Atlantic City...

Oil and Gas rallied 16.1 to 2,988.9 on index, but Gold declined 0.74 to 19.50. Banks up on 0.79 to 316.59, but Utilities shed 0.71 to 228.79.

After announcing dividend increases, Reed Stenhouse "A" gained 1/2 to \$21.50 and Great Lakes Forest 1/2 to \$24.

With a mixture of fresh active buying and increased profit-taking, stocks again closed on an irregular note yesterday but with advancing issues holding a modest lead over decliners.

The Nikkei-Dow Jones Average edged ahead 6.51 to \$3,329.59. Turnover was a fairly substantial 410m shares but well below Wednesday's 640m.

Shortly after the opening, Oil stocks like Maruzen Oil, Trading House of Japan, and Nippon Oil were sold on news that the Japanese Government has decided to postpone negotiations with China on the joint development of oil resources around the Senkaku Islands in the East China Sea.

Elsewhere among energy-related names, Mitsui Mining climbed 1/2 to \$24. Honda Motor forged ahead 1/2 more to \$56.3 for a two-day rise of 1 1/2 on market rumours that it has succeeded in developing a new type of fuel-efficient car.

Heavy Electricals rose on good earnings prospects, with Hitachi gaining 1/2 to \$24. Real Estates, Chemicals and Textiles closed generally higher, along with some Light Electricals.

Public Authority Bonds were in strong demand, with Bundesbank open-market sales totalling DM80m nominal of stock (after DM24m sales on Wednesday) as prices rose up to 65 pence more.

Further buoyed by increased foreign buying and also local interest, the market scored an other good gain in fairly active trading. Comments on the two-day advance of 10.5.

Brokers said domestic investors are finding shares attractive as interest rates on the capital market continue to fall. The best gains, yibKardst rising DM, Necker...

NEW YORK - DOW JONES table with columns for Aug 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 1978, 1977, 1976, 1975, 1974, 1973, 1972, 1971, 1970, 1969, 1968, 1967, 1966, 1965, 1964, 1963, 1962, 1961, 1960, 1959, 1958, 1957, 1956, 1955, 1954, 1953, 1952, 1951, 1950, 1949, 1948, 1947, 1946, 1945, 1944, 1943, 1942, 1941, 1940, 1939, 1938, 1937, 1936, 1935, 1934, 1933, 1932, 1931, 1930, 1929, 1928, 1927, 1926, 1925, 1924, 1923, 1922, 1921, 1920, 1919, 1918, 1917, 1916, 1915, 1914, 1913, 1912, 1911, 1910, 1909, 1908, 1907, 1906, 1905, 1904, 1903, 1902, 1901, 1900, 1899, 1898, 1897, 1896, 1895, 1894, 1893, 1892, 1891, 1890, 1889, 1888, 1887, 1886, 1885, 1884, 1883, 1882, 1881, 1880, 1879, 1878, 1877, 1876, 1875, 1874, 1873, 1872, 1871, 1870, 1869, 1868, 1867, 1866, 1865, 1864, 1863, 1862, 1861, 1860, 1859, 1858, 1857, 1856, 1855, 1854, 1853, 1852, 1851, 1850, 1849, 1848, 1847, 1846, 1845, 1844, 1843, 1842, 1841, 1840, 1839, 1838, 1837, 1836, 1835, 1834, 1833, 1832, 1831, 1830, 1829, 1828, 1827, 1826, 1825, 1824, 1823, 1822, 1821, 1820, 1819, 1818, 1817, 1816, 1815, 1814, 1813, 1812, 1811, 1810, 1809, 1808, 1807, 1806, 1805, 1804, 1803, 1802, 1801, 1800, 1799, 1798, 1797, 1796, 1795, 1794, 1793, 1792, 1791, 1790, 1789, 1788, 1787, 1786, 1785, 1784, 1783, 1782, 1781, 1780, 1779, 1778, 1777, 1776, 1775, 1774, 1773, 1772, 1771, 1770, 1769, 1768, 1767, 1766, 1765, 1764, 1763, 1762, 1761, 1760, 1759, 1758, 1757, 1756, 1755, 1754, 1753, 1752, 1751, 1750, 1749, 1748, 1747, 1746, 1745, 1744, 1743, 1742, 1741, 1740, 1739, 1738, 1737, 1736, 1735, 1734, 1733, 1732, 1731, 1730, 1729, 1728, 1727, 1726, 1725, 1724, 1723, 1722, 1721, 1720, 1719, 1718, 1717, 1716, 1715, 1714, 1713, 1712, 1711, 1710, 1709, 1708, 1707, 1706, 1705, 1704, 1703, 1702, 1701, 1700, 1699, 1698, 1697, 1696, 1695, 1694, 1693, 1692, 1691, 1690, 1689, 1688, 1687, 1686, 1685, 1684, 1683, 1682, 1681, 1680, 1679, 1678, 1677, 1676, 1675, 1674, 1673, 1672, 1671, 1670, 1669, 1668, 1667, 1666, 1665, 1664, 1663, 1662, 1661, 1660, 1659, 1658, 1657, 1656, 1655, 1654, 1653, 1652, 1651, 1650, 1649, 1648, 1647, 1646, 1645, 1644, 1643, 1642, 1641, 1640, 1639, 1638, 1637, 1636, 1635, 1634, 1633, 1632, 1631, 1630, 1629, 1628, 1627, 1626, 1625, 1624, 1623, 1622, 1621, 1620, 1619, 1618, 1617, 1616, 1615, 1614, 1613, 1612, 1611, 1610, 1609, 1608, 1607, 1606, 1605, 1604, 1603, 1602, 1601, 1600, 1599, 1598, 1597, 1596, 1595, 1594, 1593, 1592, 1591, 1590, 1589, 1588, 1587, 1586, 1585, 1584, 1583, 1582, 1581, 1580, 1579, 1578, 1577, 1576, 1575, 1574, 1573, 1572, 1571, 1570, 1569, 1568, 1567, 1566, 1565, 1564, 1563, 1562, 1561, 1560, 1559, 1558, 1557, 1556, 1555, 1554, 1553, 1552, 1551, 1550, 1549, 1548, 1547, 1546, 1545, 1544, 1543, 1542, 1541, 1540, 1539, 1538, 1537, 1536, 1535, 1534, 1533, 1532, 1531, 1530, 1529, 1528, 1527, 1526, 1525, 1524, 1523, 1522, 1521, 1520, 1519, 1518, 1517, 1516, 1515, 1514, 1513, 1512, 1511, 1510, 1509, 1508, 1507, 1506, 1505, 1504, 1503, 1502, 1501, 1500, 1499, 1498, 1497, 1496, 1495, 1494, 1493, 1492, 1491, 1490, 1489, 1488, 1487, 1486, 1485, 1484, 1483, 1482, 1481, 1480, 1479, 1478, 1477, 1476, 1475, 1474, 1473, 1472, 1471, 1470, 1469, 1468, 1467, 1466, 1465, 1464, 1463, 1462, 1461, 1460, 1459, 1458, 1457, 1456, 1455, 1454, 1453, 1452, 1451, 1450, 1449, 1448, 1447, 1446, 1445, 1444, 1443, 1442, 1441, 1440, 1439, 1438, 1437, 1436, 1435, 1434, 1433, 1432, 1431, 1430, 1429, 1428, 1427, 1426, 1425, 1424, 1423, 1422, 1421, 1420, 1419, 1418, 1417, 1416, 1415, 1414, 1413, 1412, 1411, 1410, 1409, 1408, 1407, 1406, 1405, 1404, 1403, 1402, 1401, 1400, 1399, 1398, 1397, 1396, 1395, 1394, 1393, 1392, 1391, 1390, 1389, 1388, 1387, 1386, 1385, 1384, 1383, 1382, 1381, 1380, 1379, 1378, 1377, 1376, 1375, 1374, 1373, 1372, 1371, 1370, 1369, 1368, 1367, 1366, 1365, 1364, 1363, 1362, 1361, 1360, 1359, 1358, 1357, 1356, 1355, 1354, 1353, 1352, 1351, 1350, 1349, 1348, 1347, 1346, 1345, 1344, 1343, 1342, 1341, 1340, 1339, 1338, 1337, 1336, 1335, 1334, 1333, 1332, 1331, 1330, 1329, 1328, 1327, 1326, 1325, 1324, 1323, 1322, 1321, 1320, 1319, 1318, 1317, 1316, 1315, 1314, 1313, 1312, 1311, 1310, 1309, 1308, 1307, 1306, 1305, 1304, 1303, 1302, 1301, 1300, 1299, 1298, 1297, 1296, 1295, 1294, 1293, 1292, 1291, 1290, 1289, 1288, 1287, 1286, 1285, 1284, 1283, 1282, 1281, 1280, 1279, 1278, 1277, 1276, 1275, 1274, 1273, 1272, 1271, 1270, 1269, 1268, 1267, 1266, 1265, 1264, 1263, 1262, 1261, 1260, 1259, 1258, 1257, 1256, 1255, 1254, 1253, 1252, 1251, 1250, 1249, 1248, 1247, 1246, 1245, 1244, 1243, 1242, 1241, 1240, 1239, 1238, 1237, 1236, 1235, 1234, 1233, 1232, 1231, 1230, 1229, 1228, 1227, 1226, 1225, 1224, 1223, 1222, 1221, 1220, 1219, 1218, 1217, 1216, 1215, 1214, 1213, 1212, 1211, 1210, 1209, 1208, 1207, 1206, 1205, 1204, 1203, 1202, 1201, 1200, 1199, 1198, 1197, 1196, 1195, 1194, 1193, 1192, 1191, 1190, 1189, 1188, 1187, 1186, 1185, 1184, 1183, 1182, 1181, 1180, 1179, 1178, 1177, 1176, 1175, 1174, 1173, 1172, 1171, 1170, 1169, 1168, 1167, 1166, 1165, 1164, 1163, 1162, 1161, 1160, 1159, 1158, 1157, 1156, 1155, 1154, 1153, 1152, 1151, 1150, 1149, 1148, 1147, 1146, 1145, 1144, 1143, 1142, 1141, 1140, 1139, 1138, 1137, 1136, 1135, 1134, 1133, 1132, 1131, 1130, 1129, 1128, 1127, 1126, 1125, 1124, 1123, 1122, 1121, 1120, 1119, 1118, 1117, 1116, 1115, 1114, 1113, 1112, 1111, 1110, 1109, 1108, 1107, 1106, 1105, 1104, 1103, 1102, 1101, 1100, 1099, 1098, 1097, 1096, 1095, 1094, 1093, 1092, 1091, 1090, 1089, 1088, 1087, 1086, 1085, 1084, 1083, 1082, 1081, 1080, 1079, 1078, 1077, 1076, 1075, 1074, 1073, 1072, 1071, 1070, 1069, 1068, 1067, 1066, 1065, 1064, 1063, 1062, 1061, 1060, 1059, 1058, 1057, 1056, 1055, 1054, 1053, 1052, 1051, 1050, 1049, 1048, 1047, 1046, 1045, 1044, 1043, 1042, 1041, 1040, 1039, 1038, 1037, 1036, 1035, 1034, 1033, 1032, 1031, 1030, 1029, 1028, 1027, 1026, 1025, 1024, 1023, 1022, 1021, 1020, 1019, 1018, 1017, 1016, 1015, 1014, 1013, 1012, 1011, 1010, 1009, 1008, 1007, 1006, 1005, 1004, 1003, 1002, 1001, 1000, 999, 998, 997, 996, 995, 994, 993, 992, 991, 990, 989, 988, 987, 986, 985, 984, 983, 982, 981, 980, 979, 978, 977, 976, 975, 974, 973, 972, 971, 970, 969, 968, 967, 966, 965, 964, 963, 962, 961, 960, 959, 958, 957, 956, 955, 954, 953, 952, 951, 950, 949, 948, 947, 946, 945, 944, 943, 942, 941, 940, 939, 938, 937, 936, 935, 934, 933, 932, 931, 930, 929, 928, 927, 926, 925, 924, 923, 922, 921, 920, 919, 918, 917, 916, 915, 914, 913, 912, 911, 910, 909, 908, 907, 906, 905, 904, 903, 902, 901, 900, 899, 898, 897, 896, 895, 894, 893, 892, 891, 890, 889, 888, 887, 886, 885, 884, 883, 882, 881, 880, 879, 878, 877, 876, 875, 874, 873, 872, 871, 870, 869, 868, 867, 866, 865, 864, 863, 862, 861, 860, 859, 858, 857, 856, 855, 854, 853, 852, 851, 850, 849, 848, 847, 846, 845, 844, 843, 842, 841, 840, 839, 838, 837, 836, 835, 834, 833, 832, 831, 830, 829, 828, 827, 826, 825, 824, 823, 822, 821, 820, 819, 818, 817, 816, 815, 814, 813, 812, 811, 810, 809, 808, 807, 806, 805, 804, 803, 802, 801, 800, 799, 798, 797, 796, 795, 794, 793, 792, 791, 790, 789, 788, 787, 786, 785, 784, 783, 782, 781, 780, 779, 778, 777, 776, 775, 774, 773, 772, 771, 770, 769, 768, 767, 766, 765, 764, 763, 762, 761, 760, 759, 758, 757, 756, 755, 754, 753, 752, 751, 750, 749, 748, 747, 746, 745, 744, 743, 742, 741, 740, 739, 738, 737, 736, 735, 734, 733, 732, 731, 730, 729, 728, 727, 726, 725, 724, 723, 722, 721, 720, 719, 718, 717, 716, 715, 714, 713, 712, 711, 710, 709, 708, 707, 706, 705, 704, 703, 702, 701, 700, 699, 698, 697, 696, 695, 694, 693, 692, 691, 690, 689, 688, 687, 686, 685, 684, 683, 682, 681, 680, 679, 678, 677, 676, 675, 674, 673, 672, 671, 670, 669, 668, 667, 666, 665, 664, 663, 662, 661, 660, 659, 658, 657, 656, 655, 654, 653, 652, 651, 650, 649, 648, 647, 646, 645, 644, 643, 642, 641, 640, 639, 638, 637, 636, 635, 634, 633, 632, 631, 630, 629, 628, 627, 626, 625, 624, 623, 622, 621, 620, 619, 618, 617, 616, 615, 614, 613, 612, 611, 610, 609, 608, 607, 606, 605, 604, 603, 602, 601, 600, 599, 598, 597, 596, 595, 594, 593, 592, 591, 590, 589, 588, 587, 586, 585, 584, 583, 582, 581, 580, 579, 578, 577, 576, 575, 574, 573, 572, 571, 570, 569, 568, 567, 566, 565, 564, 563, 562, 561, 560, 559, 558, 557, 556, 555, 554, 553, 552, 551, 550, 549, 548, 547, 546, 545, 544, 543, 542, 541, 540, 539, 538, 537, 536, 535, 534, 533, 532, 531, 530, 529, 528, 527, 526, 525, 524, 523, 522, 521, 520, 519, 518, 517, 516, 515, 514, 513, 512, 511, 510, 509, 508, 507, 506, 505, 504, 503, 502, 501, 500, 499, 498, 497, 496, 495, 494, 493, 492, 491, 490, 489, 488, 487, 486, 485, 484, 483, 482, 481, 480, 479, 478, 477, 476, 475, 474, 473, 472, 471, 470, 469, 468, 467, 466, 465, 464, 463, 462, 461, 460, 459, 458, 457, 456, 455, 454, 453, 452, 451, 450, 449, 448, 447, 446, 445, 444, 443, 442, 441, 440, 439, 438, 437, 436, 435, 434, 433, 432, 431, 430, 429, 428, 427, 426, 425, 424, 423, 422, 421, 420, 419, 418, 417, 416, 415, 414, 413, 412, 411, 410, 409, 408, 407, 406, 405, 404, 403, 402, 401, 400, 399, 398, 397, 396, 395, 394, 393, 392, 391, 390, 389, 388, 387, 386, 385, 384, 383, 382, 381, 380, 379, 378, 377, 376, 375, 374, 373, 372, 371, 370, 369, 368, 367, 366, 365, 364, 363, 362, 361, 360, 359, 358, 357, 356, 355, 354, 353, 352, 351, 350, 349, 348, 347, 346, 345, 344, 343, 342, 341, 340, 339, 338, 337, 336, 335, 334, 333, 332, 331, 330, 329, 328, 327, 326, 325, 324, 323, 322, 321, 320, 319, 318, 317, 316, 315, 314, 313, 312, 311, 310, 309, 308, 307, 306, 305, 304, 303, 302, 301, 300, 299, 298, 297, 296, 295, 294, 293, 292, 291, 290, 289, 288, 287, 286, 285, 284, 283, 282, 281, 280, 279, 278, 277, 276, 275, 274, 273, 272, 271, 270, 269, 268, 267, 266, 265, 264, 263, 262, 261, 260, 259, 258, 257, 256, 255, 254, 253, 252, 251, 250, 249, 248, 247, 246, 245, 244, 243, 242, 241, 240, 239, 238, 237, 236, 235, 234, 233, 232, 231, 230, 229, 228, 227, 226, 225, 224, 223, 222, 221, 220, 219, 218, 217, 216, 215, 214, 213, 212, 211, 210, 209, 208, 207, 206, 205, 204, 203, 202, 201, 200, 199, 198, 197, 196, 195, 194, 193, 192, 191, 190, 189, 188, 187, 186, 185, 184, 183, 182, 181, 180, 179, 178, 177, 176, 175, 174, 173, 172, 171, 170, 169, 168, 167, 166, 165, 164, 163, 162, 161, 160, 159, 158, 157, 156, 155, 154, 153, 152, 151, 150, 149, 148, 147, 146, 145, 144, 143, 142, 141, 140, 139, 138, 137, 136, 135, 134, 133, 132, 131, 130, 129, 128, 127, 126, 125, 124, 123, 122, 121, 120, 119, 118, 117, 116, 115, 114, 113, 112, 111, 110, 109, 108, 107, 106, 105, 104, 103, 102, 101, 100, 99, 98, 97, 96, 95, 94, 93, 92, 91, 90, 89, 88, 87, 86, 85, 84, 83, 82, 81, 80, 79, 78, 77, 76, 75, 74, 73, 72, 71, 70, 69, 68, 67, 66, 65, 64, 63, 62, 61, 60, 59, 58, 57, 56, 55, 54, 53, 52, 51, 50, 49, 48, 47, 46, 45, 44, 43, 42, 41, 40, 39, 38, 37, 36, 35, 34, 33, 32, 31, 30, 29, 28, 27, 26, 25, 24, 23, 22, 21, 20, 19, 18, 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, 0, -1, -2, -3, -4, -5, -6, -7, -8, -9, -10, -11, -12, -13, -14, -15, -16, -17, -18, -19, -20, -21, -22, -23, -24, -25, -26, -27, -28, -29, -30, -31, -32, -33, -34, -35, -36, -37, -38, -39, -40, -41, -42, -43, -44, -45, -46, -47, -48, -49, -50, -51,

COMMODITIES AND AGRICULTURE

Base metals markets move higher

OPPER PRICES rose for the third day in succession on the London Metal Exchange yesterday. Cash wirebars closed at 11 p at \$225.5 a tonne, a rise of 10 p since Monday. The upward trend was triggered off by sharp falls in the New York market overnight and speculative buying was further encouraged when the three months quotation moved through a chart buying point at 243. Prices subsequently came back on profit-taking following a rise in the value of sterling, but the market rallied again in the afternoon.

Lower cotton crop in Argentina

BUENOS AIRES—Argentina produced 468,000 tonnes of raw cotton and 149,000 tonnes of cotton lint in the 1978/79 season. This was down sharply from 714,000 and 220,300 tonnes respectively in the previous season, the Agriculture Department reported.

Price dispute blocks agreement on cocoa pact

THE LATEST attempt to thrash out a new international agreement to stabilise the world cocoa market has failed. The stumbling block at the negotiating conference, which broke up in Geneva on Wednesday night, was again the issue of buffer stock buying and selling prices. But as the conference was adjourned, delegates from both the producer and consumer camps said they had come very close to agreement and were hopeful that accord will be reached when the talks resume later this year.

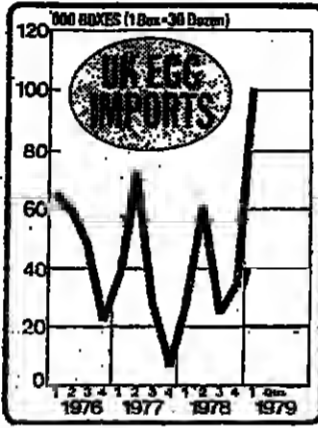
Record imports hit egg market

UK IMPORTS of eggs leapt to a record 100,000 boxes of 30 dozen each in the first quarter of this year, Ministry of Agriculture figures show. Total imports for the whole of last year were 145,000 boxes, and were only 27,000 in the first quarter.

On the other side, most consumer delegations were reported to be prepared to agree to a 155/105 cents range. But the two main protagonists had other ideas. Conference sources said the U.S., the world's biggest cocoa consumer, was sticking to its demand for a 100 cent "floor", while the Ivory Coast, the world's biggest producer, wanted selling to begin at 120 cents. The current price range is 81/65 cents but the world price is about 143 cents.

EEC grain consumption to decline

By Our Commodities Staff CONSUMPTION of grain in the European Community is expected to fall 2.5m tonnes to the 1979-80 season because of the reduction in the number of livestock on farms. Despite this, imports are forecast to rise from 20.4m to 21m tonnes, the Home-Grown Cereals Authority says in its latest review.



Wheat down despite Soviet deal

THE SURPRISE reaction of the Chicago grains futures markets yesterday to news that the U.S. had agreed to increased Soviet grain purchases was for prices to fall. Traders pointed out that reports had been circulating the markets for some time now that Russia would be forced to step up its imports and had already been discounted.

RUBBER

The London physical market opened on a note of caution, with prices at lower levels, despite a quiet run. The market was generally quiet, with prices for most grades of rubber remaining steady. There was a slight rise in the price of RSS-1, while the price of RSS-3 fell.

MEXICAN AGRICULTURE

Oil riches fail to ease rural poverty

MEXICO'S AGRICULTURAL production of its 10 main crops is officially forecast to increase by 3.7 per cent this year, according to the belatedly released agricultural plan for 1979. This is 0.7 per cent above the magic and politically sensitive figure of 3 per cent—the annual population increase. So for the third year running, the Government (population 68m) claims that food production will outstrip population growth.

Trade figures show that the food problem is not that drastic. Last year there was an agricultural surplus of \$500m. This year it will be about the same, with imports of \$900m and exports of \$1.1bn. Mexico's oil wealth gives the country the capacity to meet its food import bills—admittedly it will be a waste to spend huge amounts of petrodollars on food instead of creating new jobs and improving inadequate social services—but what the oil money will most probably not be able to achieve is a radical improvement of the hard reality of the countryside.

Russia seeks Norway fishing boost

RUSSIA IS seeking the right to increased fishing in Norway's no-trawl zones in exchange for observing fishery conservation measures recommended by the International Council for the Exploration of the Sea. The Russian request, made in Oslo this week, during talks between the two countries' fishery ministers, has taken the Norwegian Government by surprise.

AMERICAN MARKETS

THE PRECIOUS metals came under further selling pressure on Commission House liquidation and dealer selling encouraged by the lack of buying interest. Copper continued to be heavily supported by an upward revision in next week's crop report. The livestock complex closed mixed on short-covering in hogs and bellies and near evenness in selling pushed cattle sharply lower. Cows closed lower on higher than expected Chicago arrivals, while the losses in coffee were attributed to trade selling and lack of producer support. Sugar continued to be near evenness. Venezuela of white sugar, Harold reported.

BRITISH COMMODITY MARKETS

Table with columns for Commodity, Unit, and Price. Includes sections for BASE METALS, COPPER, and ZINC.

COFFEE

Table with columns for Coffee Type, Price, and Business. Includes sections for Robusta and Arabica.

SOYABEAN MEAL

Table with columns for Soyabean Meal Type, Price, and Business.

PRICE CHANGES

Table with columns for Commodity, Price Change, and Business.

EUROPEAN MARKETS

Table with columns for Commodity, Price, and Business.

INSURANCE BASE RATES

Table with columns for Insurance Type and Rate.

GRAINS

Table with columns for Grain Type, Price, and Business.

SUGAR

Table with columns for Sugar Type, Price, and Business.

WHEAT

Table with columns for Wheat Type, Price, and Business.

INDICES

Table with columns for Index Name and Value.

CORAL INDEX: Close 432.457

Large advertisement for 'Your opportunity to sell in Korea' by Industrial and Trade Fairs International. Includes text about exhibitions and contact information.

WHEAT

Table with columns for Wheat Type, Price, and Business.

MEAT/VEGETABLES

Table with columns for Meat/Veg Type, Price, and Business.

WHEAT

Table with columns for Wheat Type, Price, and Business.

FINANCIAL TIMES

Table with columns for Financial Index Name and Value.

# LONDON STOCK EXCHANGE

Companies and Markets

## Bid situations claim attention in another slow day Share index down 1.1 at 455.7—Gilt-edged steady

Account Dealing Dates

First Declara- Last Account Dealings Date  
July 26 July 27 Aug 6  
July 30 Aug 9 Aug 20 Aug 29  
Aug 13 Aug 23 Aug 24 Sept 3

New time declines may take place from 9.30 am two business days earlier.

Situation stocks and company trading statements claimed most of the attention in stock markets. Business was again painfully thin, and prices in all three main sections moved within narrow limits. Gilt-edged, in fact, ended apart from the shorts which hardened by 1/2; the rise in the UK's currency reserves had no apparent impact on sentiment. Values of leading shares barely straggled from the overnight close. The FT 30-share index ranging between a rise of two points with a little of 1.2 at 11 am being whittled away to a close of 455.7, not least on the day of 1.1. Following shortly after the FT's similar warning, the Bank of England's concern about the decline in UK industry's profitability and a consequent depression in industrial investment led little for the confidence of potential buyers. However, little selling of any consequence developed and prices were again in a majority of cases, in all FT-30 industrial shares, in the red.

chairman's profits warning. At 14.07, the bargains total was at its lowest since this measure of market volume was introduced on June 4 last.

British Funds traded on a steady to firm note, in contrast to the recent pattern of trade, the emphasis switched to the short-end of the market where prices moved quietly ahead on sporadic buying interest to close with gains extending to 1. Long-dated stocks, however, fluctuated narrowly around overnight closing levels before finishing the day without alteration. Overall trading conditions were quiet. A large institutional business which more than compensated for the marked absence of arbitrage trade helped the investment currency premium move forward to close a fraction harder at 241 cent. Yesterday's SE conversion actor was 0.9235, 10.92031.

Wednesday's flurry of activity in traded options proved to be brief, just 148 contracts being completed yesterday. Only four issues reached double figures with RTZ the most active with 58 deals.

**Brentnall Beard down**

Brentnall Beard became a notable casualty in insurances, falling 4 to 16p, after 14p, on the announcement that the company is selling its insurance broking subsidiary to Hogg Robinson for a mere £1.1m; the latter put on 3 to 30p. Elsewhere, C. E. Heath added 10 to 18p and Willis Fawer rose 6 to 20p. Among Composites, Sun Alliance improved 10 to 52p and General Accident 6 to 21p; the latter's interim results are due on August 15.

Quietly firm conditions prevailed in home banks, Midland hardened 3 more to 385p as did NatWest, to 325p. Still reflecting the disappointing interim results, Grindlays cheapened 3 more to 82p, making a fall on the week

so far of 18; the group does not have any interests in Nigeria as stated here yesterday.

Small buying left selected Brewery leaders slightly firmer after another quiet session. Bellhaven held at 43p in front of today's full-year results and Matthew Clark, long a takeover favourite, put on 2 at 144p. Dorsei brewers Eldridge Pope came in for support and closed 4 up at 31p. Distillers also tended narrowly firmer, Irish, at 75p, recovering 3 of recent falls scotching from the weakness of the punt.

Significant movements in Buildings were few, but Heywood Williams put on 6 to 83p following the chairman's confident remarks at the annual general meeting, while recently dull Burt Boulton rallied 10 to 180p in a thin market. Interest was shown in Royco which touched 58p before settling at 54p for a gain of 2 1/2 on balance.

Steadily in the morning session, ICI and Flint both settled marginally lower at 321p and 282p respectively. Annual trading statements prompted comment on movements in William Ramsay and Bencini; the former improved 3 to 32p, but the latter eased a penny to 102p.

**Bambers revive**

Once again, interest in Stores continued to be entirely around selected secondary issues. A revived investment demand prompted a rise of 9 to 126p in Bambers, while Rainers also returned to favour at 99p, up 5p. Reflecting the sharply higher annual profits, Steinberg rose 21 to 20p, while Wearwell put on a similar amount to 34p, after 49p. Also following good results, Shoes were notable only for renewed strength in Stylo which gained 4 ahead to a 1979 high of 184p, following the recent successful rights issue. Town and Centre's stake now stands at around 6 per cent.

Inclined harder at the start, leading Electricals closed little altered on balance. Elsewhere, ICI Electric became a weak feature also, down 14, following the chairman's warning of a squeeze on profit margins. Comment on the interim results, however, stimulated fresh demand for Automated Security which firmed 3 to 165p.

Still reflecting the fall in interim profits and uncertainty about the rationalisation compensation situation, Vosper met further selling and reacted 8 for a two-day fall of 19 to 195p. By way of contrast, Brassey responded in the more than doubled annual profits with a gain of 6 to 63p, while favourable trading statements left W. G. Allen 2 higher at 44p, and James

Assis 5 to the good at 128p.

Elsewhere in secondary Engineers, occasional demand lifted Baker Perkins 4 to 136p, but A. Cohen fell 10 to 25p in an excited thin market. The trend in leading Foods was quietly firm with Rawlinson Mackintosh improved 4 to 188p following Press comment on the company's European growth potential. Among Supermarkets, Asstated Deter added 1 to 260p and J. Sainsbury 3 to 320p, while further consideration of the results and proposed 100 per cent scrip issue lifted Hillards 10 more to 350p after 352p. By contrast, Ames Hinton slipped 4 to a 1979 low of 72p.

**Tricentral below best**

Trading in the Oil market was again quite brisk. After the previous day's sharp reaction on the nationalisation of its Nigerian assets, British Petroleum moved between 115p and 118p before settling without

alteration at 116p. Shell edged up 4 further to 344p. Outside the leaders, Tricentral advanced to 230p on the good annual results before profit-taking left the price 4 up on balance at 226p, while bid booted stimulated fresh demand for Oil Exploration, up 6 more at 385p, after 368p.

Following the remarks of the Nigerian Foreign Minister that other British companies would not be threatened with punitive action similar to the takeover of BP's assets in the country, Fawer's Zochonis issues more than 100p with the £. A similar amount better at 155p; the company has no direct interest in Nigeria, but is heavily involved in that country's trade.

Guvel Europeu featured Truist with a rise of 11 to 63p on news that the company is considering utilisation. Elsewhere, the trend in the sector was to slightly higher levels. Among Financials, received support lifted London Merchant Securities 3 to a new peak for the year of 116p.

Scattered offerings left Textiles marginally easier, although the odd firm spot appeared,

days but activity was again disappointingly low. Share prices were marked higher at the outset, reflecting the initial rally in the bullion price, but failed to make further progress.

The Gold Mines index recovered 1.5 to 150.1 and the ex-premium index 1.9 to 138.7. Bullion was finally 31 down at \$388.875 an ounce following the outcome of the latest international Monetary Fund gold auction.

South African Financials generally showed minor gains. U.C. Investments, the subject of Johannesburg buying interest, put on 10 to 235p. In contrast, "Amcoal" dropped 25 to 225p in front of the increased interim dividend and half-year profits which were not known during market hours.

Rio Tinto-Zinc became a feature of London Financials as persistent small buying led a market one too well supplied with stock pushed the price, 11 higher at 271p.

Rustenburg were outstanding in a generally firmer Platinum, reflecting overseas buying with a rise of 8 to 111p.

Securities drifted off to close a penny cheaper on balance at 236p, but Great Portland Estates hardened a couple of pence more to 324p.

Central Financials, attracted speculative support and firmed 3 apiece, while gains of around 5 were marked against Lynton, 166p, and London Provincial Shop, 240p. Still prominent among Interim results, City Offices added 2 more to 35p. Some interest was shown in Clarke Nicolls which improved 3 to 108p.

**Tricentral below best**

Trading in the Oil market was again quite brisk. After the previous day's sharp reaction on the nationalisation of its Nigerian assets, British Petroleum moved between 115p and 118p before settling without

alteration at 116p. Shell edged up 4 further to 344p. Outside the leaders, Tricentral advanced to 230p on the good annual results before profit-taking left the price 4 up on balance at 226p, while bid booted stimulated fresh demand for Oil Exploration, up 6 more at 385p, after 368p.

Following the remarks of the Nigerian Foreign Minister that other British companies would not be threatened with punitive action similar to the takeover of BP's assets in the country, Fawer's Zochonis issues more than 100p with the £. A similar amount better at 155p; the company has no direct interest in Nigeria, but is heavily involved in that country's trade.

Guvel Europeu featured Truist with a rise of 11 to 63p on news that the company is considering utilisation. Elsewhere, the trend in the sector was to slightly higher levels. Among Financials, received support lifted London Merchant Securities 3 to a new peak for the year of 116p.

Scattered offerings left Textiles marginally easier, although the odd firm spot appeared,

days but activity was again disappointingly low. Share prices were marked higher at the outset, reflecting the initial rally in the bullion price, but failed to make further progress.

The Gold Mines index recovered 1.5 to 150.1 and the ex-premium index 1.9 to 138.7. Bullion was finally 31 down at \$388.875 an ounce following the outcome of the latest international Monetary Fund gold auction.

South African Financials generally showed minor gains. U.C. Investments, the subject of Johannesburg buying interest, put on 10 to 235p. In contrast, "Amcoal" dropped 25 to 225p in front of the increased interim dividend and half-year profits which were not known during market hours.

Rio Tinto-Zinc became a feature of London Financials as persistent small buying led a market one too well supplied with stock pushed the price, 11 higher at 271p.

Rustenburg were outstanding in a generally firmer Platinum, reflecting overseas buying with a rise of 8 to 111p.

Carpets International were wanted adding 3 to 54p, while High Macquay put on 2 at 57p.

Second thoughts about Wednesday's interim statement clipped a penny from R. Smalshaw, 28p.

**Australian gains**

A strong showing by overnight Sydney and Melbourne markets in which large lines of stock in North Broken Hill, MIM Holdings and Western Mining changed hands, resulted in a good demand for Australian mining issues in London.

North Broken Hill rose 4 to 101p. MIM Holdings 3 to 185p and Western Mining 2 to 140p. Pacific Copper also came in for a good deal of support which left the shares 5 better at 87p.

South African Golds improved for the first time in four trading

### FINANCIAL TIMES STOCK INDICES

	Aug. 2	Aug. 1	July 31	July 30	July 27	July 26	1 Year ago
Government Secs...	72.63	72.60	72.24	72.48	72.95	72.22	70.97
Fixed Interest	75.60	75.44	75.75	75.88	74.76	74.95	75.65
Industrial	456.7	456.8	454.4	451.0	458.2	461.3	469.9
Gold Mines	150.1	148.5	152.4	151.0	158.8	158.4	157.6
Gold Mines Ex-5pm	158.7	158.8	141.1	141.3	145.3	145.8	145.8
Dred. Div. Yield	7.07	7.06	7.05	7.09	6.90	6.86	5.96
Earnings, Yld. % (Full)	17.94	17.91	17.89	17.98	17.57	17.86	16.21
P/E Ratio (net) %	7.00	7.01	7.02	6.98	7.21	7.20	6.84
TOTAL BARGAINS	14,071	15,044	16,827	16,066	16,688	16,306	16,306
Equity turnover km	74.82	81.73	71.10	86.84	79.33	108.04	108.04
Equity bargains total	10,250	11,891	12,886	13,220	11,366	13,906	13,906

10 am 457.7, 11 am 458.0, Noon 467.7, 1 pm 457.1, 2 pm 456.5, 3 pm 456.8, Latest Index 01 Aug 8028

SE Activity July-Dec. 1942. Basis 100 Govt. Secs. 15/1/26. Fixed Int. 1825. Industrial 1/7/55. Gold Mines 12/9/56. Ex-5pm premium index started June, 1972.

### HIGHS AND LOWS

	High	Low	High	Low
Govt. Secs.	75.91	64.64	127.4	49.18
Fixed Int.	77.76	66.05	160.4	60.53
Ind. Ord.	558.6	162	1617	1617
Gold Mines	208.4	199.9	448.3	43.8
Gold Mines Ex-5pm	189.5	181	187.1	64.5

### ACTIVE STOCKS

Stock	Denomina- tion	No. in marks	Closing price (p)	Change on day	1979 high	1979 low
Shell Transport	25p	9	344	+ 4	402	278
Beecham 'New'	25p	8	151	+ 2	254	140
Tricentral	25p	8	226	+ 3	246	178
Wales Bank	1s	7	328	+ 3	406	278
RTZ	25p	7	271	+ 11	362	226
BAT Inds.	25p	6	276	- 4	382	258
BP	1s	6	1,160	-	1,295	882
Burmah Oil	1s	6	141	+ 1	154	117
CEC	1s	6	355	-	355	317
Landis	25p	6	137	+ 17	183	115
Marks & Spencer	25p	6	110	+ 1	134	85
Royal Insurance	25p	6	330	+ 3	443	320
Barclays Bank	1s	5	430	+ 2	514	364
Boots	25p	5	194	+ 1	268	177
Sunley (B.)	25p	5	467	+ 20	495	393

### NEW HIGHS AND LOWS FOR 1979

NEW HIGHS (15)	NEW LOWS (23)
Buildings (11)	Automated Security (17)
Electricals (11)	Grindlays (17)
Financials (11)	London Merchant Securities (17)
Food (11)	W. G. Allen (17)
Industrial (11)	Wearwell (17)
Insurance (11)	Wheat (17)
Leisure (11)	Wool (17)
Property (11)	Wool (17)
Shoes (11)	Wool (17)
Textiles (11)	Wool (17)
Truist (11)	Wool (17)
Wool (11)	Wool (17)

### RISES AND FALLS YESTERDAY

Category	Up	Down	Steady
British Funds	23	2	50
Foreign Bonds	13	4	26
Industrial	226	46	264
Financial	29	4	33
Gold	19	0	16
Insurance	54	10	64
Leisure	63	31	94
Others	63	293	1,657

### LONDON TRADED OPTIONS

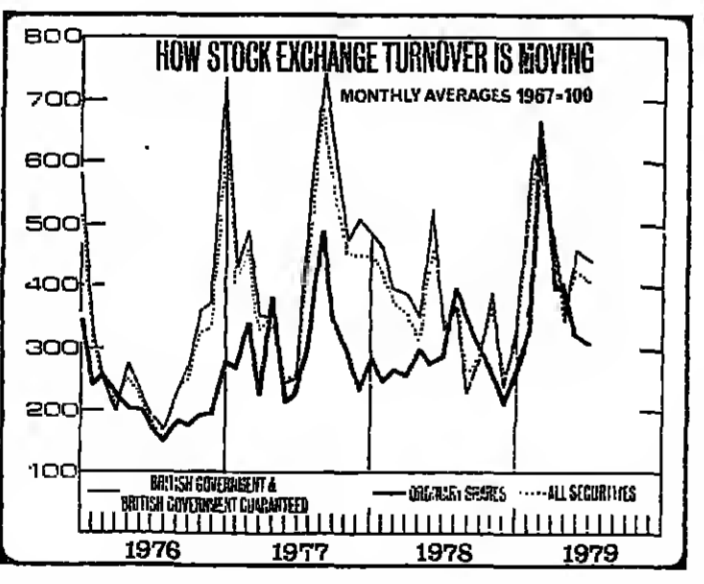
Option	Ex. as closing price offer	Vol.	Closing offer	Vol.	Expiry	Equity close
BP	1900	12	45	2	72	1163p
CEC	350	11	28	3	29	317p
GE	420	4	18	16	27	321p
Shell	325	22	30	5	30	246p
Shell	350	10	17	23	35	
Wales	100	4	19	19	19	96p
RTZ	250	16	30	38	30	270p
RTZ	280	6	19	20	21	10
RTZ	300	2	13	20	21	10
RTZ	350	1	13	32	32	10

### STOCK EXCHANGE BUSINESS LAST MONTH

#### Turnover down in all sectors

BY GEOFFREY FOSTER

Reflecting the unsettled economic and industrial background, business in both equities and gilt-edged securities contracted in July.



HOW STOCK EXCHANGE TURNOVER IS MOVING MONTHLY AVERAGES 1967-1979

After June's rise of 26.5 per cent, business in gilt-edged was down £0.5bn to £10.2bn. Interest in the medium and long-dated stocks showed a particular deterioration with trade down 20.9 per cent to £30.7bn, while short-dated business slipped £0.4bn to £4.3bn. The number of bargains in British Funds however, rose in July by 25.2 per cent to 17,494, from 14,071 in June.

Largely because of the continuing strength of sterling which rose from an end-June level of \$2.1800 to close July at \$2.2450, after \$2.2750, gilts encountered some heavy buying with US investment the driving force. Overall demand resulted in the early exhaustion of the ordinary loan top and led to the Government issuing its largest ever single top stock on July 29 - £1.5bn of 11 per cent Treasury 2004s.

The Government Securities index moved from an end-June level of 71.09 to touch 73.96 on July 24 before closing 1.15 points higher on the month at 72.4.

Business in ordinary shares in July slipped from £1,790m to £1.7bn and the number of bargains contracted by 25.2 per cent to 275,503 but the average value per bargain rose by £250 to £6.126. The FT turnover index for ordinary shares eased to 304.4 from 324.1 in June and

compared with last year's monthly average of 286.7. Equity share values drifted lower throughout July in thin trading. Gloomy economic views including a London Business School's prediction that company profits will continue to be squeezed prompted early dullness. Confidence was further undermined by increasing fears about major companies' export potential in light of sterling's strength. Oil price fears, union militancy about pay and mounting opposition to the Government's labour reform proposals were also depressants, while a prediction by Barclays Bank in its latest financial review that interest rates are likely to rise even further and a CBI warning of poor company profitability this year ensured that sentiment was still depressed at the month's end.

From an end-June level of 473.4, the FT Industrial ordinary share index fell to 431.0 on July 30 when it was recording a fall of 104.2 points or 16.7 per cent from the 535.2 level attained after the Conservative's victory in the General Election; it closed the month 19.2 points off at 454.2.

Overall, business contracted £0.55bn to £13.2bn, and the number of bargains in all securities declined slightly by 23.3 to 395,790. The FT turnover index for All Securities in July was 404.8, compared with 424.1 in June and last year's monthly average of 334.3.

Gold shares drifted lower despite the fresh upsurge in the bullion price which touched a record \$396.375 per ounce on July 26 before ending the month a net 519 up at \$398.875 per ounce. The FT Gold Mines index ended 15.4 points down on the month at 152.4.

Category	Value of all purchases and sales, £m	Number of bargains	Average value of bargains, £	Average price per share, £	Average value per share, £	Average number of shares per day
British Govt. and British Govt. Guaranteed	4,310.7	32.5	30,155	7.6	195.5	142,621
Short dated (having five years or less to run)	390.2	2.1	2,293	0.6	11.1	174,110
Others	399.8	3.0	6,551	1.6	18.2	62,949
Irish Government	145.9	1.9	1,050	0.2	11.2	234,150
Short dated (having five years or less to run)	390.2	2.1	2,293	0.6	11.1	174,110
Others	399.8	3.0	6,551	1.6	18.2	62,949
Provincial and municipal	5.5	0.1	1,176	0.3	0.2	4,719
Fixed interest stocks, preference and preferred ordinary shares	119.8	0.9	23,247	3.9	5.4	5,141
Ordinary shares	1,701.0	12.9	278,503	70.2	77.5	6,126
TOTAL	12,212.9	100.0	390,790	100.0	600.6	33,300

Average of all securities.

### OPTIONS

#### DEALING DATES

First Dealings	Last Dealings	Declara- tions	For Sell- tion
July 24 Aug. 6	Oct. 16	Oct. 30	
Aug. 7 Aug. 20	Nov. 1	Nov. 15	
Aug. 21 Sept. 3	Nov. 15	Nov. 27	



AUTHORISED UNIT TRUSTS

Main table containing financial data for various unit trusts, including columns for fund names, managers, and performance metrics.

OFFSHORE AND OVERSEAS FUNDS

Table listing offshore and overseas funds with details on fund names, managers, and investment focus.

INSURANCE AND PROPERTY BONDS

Table listing insurance and property bond products, including company names and policy details.

NOTES: Additional information and disclaimers regarding the data presented in the tables.

26
The British computer systems and software company
Telephone: 01-262 1111

FT SHARE INFORMATION SERVICE

FOREIGN BONDS & RAILS

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes entries like Anilapatna Rly., Do Sp. Pref., etc.

AMERICANS

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes entries like ASA, Abbott Labs., Amgen, etc.

CANADIANS

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes entries like Bell Canada, Canadian National, etc.

BANKS AND HIRE PURCHASE

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes entries like ANZ, Citicorp, etc.

BANKS & HP—Continued

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes entries like Citicorp, Citicorp, etc.

BEERS, WINES AND SPIRITS

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes entries like Allied Brew., Carlsberg, etc.

BUILDING INDUSTRY, TIMBER AND ROADS

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes entries like Alderman, Amey, etc.

CHEMICALS, PLASTICS—Cont.

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes entries like ICI, ICI, etc.

DRAPERY AND STORES

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes entries like Debenhams, Debenhams, etc.

ELECTRICALS

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes entries like A.R. Electronic, A.R. Electronic, etc.

ENGINEERING—Continued

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes entries like Allen & Unwin, Allen & Unwin, etc.

INDUSTRIALS (Misc.)

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes entries like A.A. Holdings, A.A. Holdings, etc.

FOOD, GROCERIES—Cont.

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes entries like Cliford Dairies, Cliford Dairies, etc.

HOTELS AND CATERERS

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes entries like Hilton Hotels, Hilton Hotels, etc.

WATER SUPPLY

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes entries like Thames Water, Thames Water, etc.

BRITISH FUNDS

Shorts (Lives up to Five Years)

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes entries like Treasury 3 1/2%, Treasury 3 1/2%, etc.

Five to Fifteen Years

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes entries like Treasury 12 1/2%, Treasury 12 1/2%, etc.

Over Fifteen Years

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes entries like Treasury 15 1/2%, Treasury 15 1/2%, etc.

Undated

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes entries like Treasury 15 1/2%, Treasury 15 1/2%, etc.

INTERNATIONAL BANK

CORPORATION LOANS

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes entries like British Gas, British Gas, etc.

COMMONWEALTH & AFRICAN LOANS

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes entries like ANZ, ANZ, etc.

LOANS

Public Board and Ind.

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes entries like ANZ, ANZ, etc.

Financial

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes entries like ANZ, ANZ, etc.

ADVERTISMENT OFFICES

Manchester: Queen's House, Queen Street, Tel: 668173
London: 75, Pall Mall, Tel: 753 1111

FINANCIAL TIMES

Head Office: The Financial Times Limited, Bracken House, 10 Cannon Street, London EC4A 3DF

Frankfurt Office: The Financial Times (Europe) Ltd., Frankfurter 68-72, 6000 Frankfurt-am-Main 1

INTERNATIONAL AND BRITISH OFFICES

EDITORIAL OFFICES: Manchester: Queen's House, Queen Street, Tel: 668173
London: 75, Pall Mall, Tel: 753 1111

ADVERTISMENT OFFICES

Birmingham: George New, George Road, Tel: 336500
London: 75, Pall Mall, Tel: 753 1111

FOOD, GROCERIES, ETC.

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes entries like Asda, Asda, etc.

ENGINEERING MACHINE TOOLS

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes entries like A.I. Prod., A.I. Prod., etc.

Handwritten text: مكنان الحاصل



